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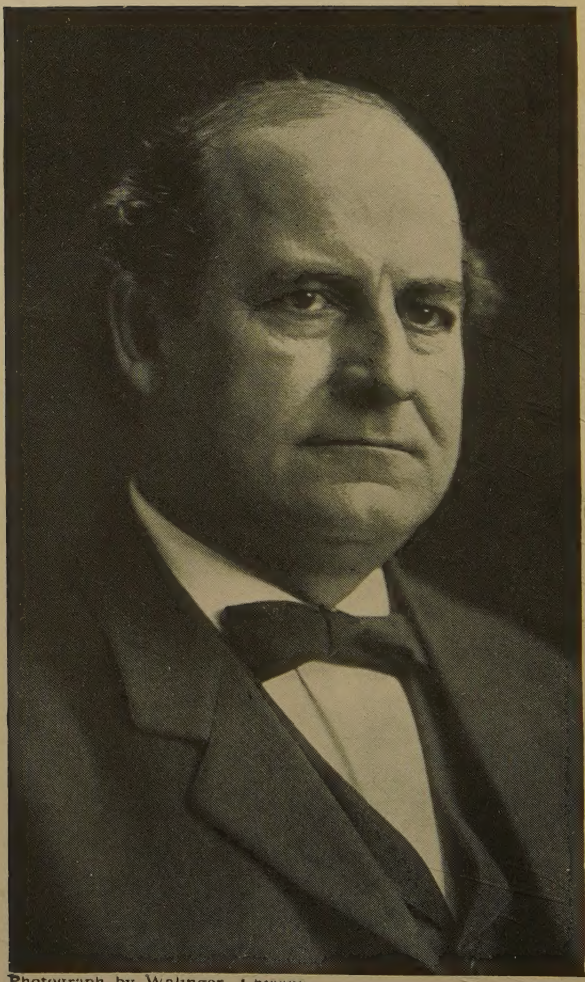
Speeches of William Jennings Bryan

VOLUME I



Photograph by Walinger, Chicago

William Jennings Bryan

Speeches of William Jennings Bryan

Revised and Arranged by Himself

WITH A BIOGRAPHICAL INTRODUCTION
BY MARY BAIRD BRYAN, HIS WIFE

In Two Volumes
VOLUME I

STATE NORMAL SCHOOL
CHADRON, NEBRASKA.

FUNK & WAGNALLS COMPANY
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1913

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I do not know
Where falls the seed that I have tried to sow
With greatest care;
But I shall know
The meaning of each waiting hour below
Some time, somewhere!

—Rev. F. S. Browning.

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BIOGRAPHICAL INTRODUCTION

BIOGRAPHICAL INTRODUCTION

Within the last few years Mr. Bryan has corresponded with a number of persons bearing the family name. Some of the Bryans trace their ancestry to Ireland, some to Wales, while others have followed the name through Irish into English history. A biographical sketch written under the supervision of Silas L. Bryan states that the family is of Irish extraction.

William Bryan, who lived in Culpeper County, Virginia, considerably more than one hundred years ago, is the first ancestor whose name is known to his descendants. Where he was born, and when, is a matter of conjecture. He owned a large tract of land among the foothills of the Blue Ridge Mountains, near Sperryville. The family name of his wife is unknown. There were born to the pair five children: James, who removed to Kentucky; John, who remained upon the homestead; Aquilla, who removed to Ohio; and Francis and Elizabeth, about whom nothing is known.

John Bryan, the second son, was born about 1790, and at an early age married Nancy Lillard. The Lillard family is an old American family of English extraction and is now represented by numerous descendants scattered over Virginia, Kentucky and Tennessee. To John Bryan and wife ten children

were born, all of whom are deceased. The oldest, William, removed to Missouri in early life and lived near Troy. John and Howard died in infancy. Jane married Joseph Cheney and lived at Gallipolis, Ohio. Nancy married George Baltzell, and lived in Marion County, Illinois. Martha married Homer Smith, and lived at Gallipolis, Ohio, later removing to Marion County, Illinois. The next child, Robert, a physician, was killed in a steamboat explosion while yet a young man.

Silas Lillard, father of William Jennings Bryan, was born November 4, 1822, near Sperryville, in what was then Culpeper, but is now a part of Rappahannock County, Virginia. The next child, Russell, located at Salem, Illinois. Elizabeth, the youngest of the family, married another George Baltzell and removed to Lewis County, Missouri.

About the year 1828 John Bryan removed with his family to the western portion of Virginia, in what is now West Virginia. His last residence was near Point Pleasant, where both he and his wife died, the latter in 1834, the former in 1836.

Silas Lillard Bryan, when still a boy, went West and made his home a part of the time with his sister, Nancy Baltzell, and a part of the time with his brother, William. He was ambitious to obtain an education, and after making his way through the public schools, entered McKendree College, at Lebanon, Illinois, where he completed his course, graduating with honors, in 1849. Owing to lack of means he was occasionally compelled to drop out of college for a time and earn enough to continue his studies. At first he spent these vacations working

as a farm hand, but later, when sufficiently advanced in his studies, taught school. After graduation he studied law, was admitted to the bar, and, at the age of twenty-nine, began practice at Salem, Illinois. On November 4th, 1852, he married Mariah Elizabeth Jennings. During the same year he was elected to the State Senate and served in that body for eight years. In 1860 he was elected to the circuit bench, and served twelve years. In 1872 he was nominated for Congress upon the Democratic ticket, receiving the endorsement of the Greenback party. He was defeated by a plurality of 240 by General James Martin, Republican candidate. As a member of the convention of 1872, which framed the present Constitution of Illinois, he introduced a resolution declaring it to be the sense of the convention that all offices, legislative, executive and judicial, provided for by the new Constitution, should be filled by elections by the people. Before his election to the bench, and after his retirement therefrom, he practised law in Marion and the adjoining counties. He was a member of the Baptist Church, the church to which his parents belonged, and was a very devout man. He prayed at morning, noon and night, and was a firm believer in providential direction in the affairs of life.

Silas Lillard Bryan was a man of strong character, stern integrity and high purpose. He took rank among the best lawyers in Southern Illinois, and was a very graceful and forcible speaker. His mind was philosophical and his speeches argumentative. In politics he was a Democrat in the broadest

sense of the word and had an abiding faith in republican institutions and in the capacity of the people for self government. He was a staunch defender of higher education and gave financial as well as moral support to various institutions of learning. He regarded the science of government as highly honorable and set apart the guest chamber of his home for "politicians and divines." He was broad and tolerant in his religious views. It was his custom, after he removed to the farm, to send a load of hay at harvest time to each preacher and priest in Salem. While a public man during a large part of his life, he was eminently domestic. He died March 30, 1880, and was buried in the cemetery at Salem. His will provided that all of his children should be encouraged to secure "the highest education which the generation affords."

The Jennings family has lived so long in America that descendants of its pioneers do not know the date of their coming to the colonies; nor is it known positively from what country they came; they are believed to have been English. Israel Jennings, who was born about 1774, is the earliest known ancestor. He was married to Mary Waters about 1799, and lived in Mason County, Kentucky. In 1818 he moved with his family to Walnut Hill, Marion County, Illinois, where his wife died in 1844 and he in 1860. He was the father of eight children: Israel, Jr., George, Charles Waters, of whom I shall speak later; William W.; Elizabeth, who married William Davidson; America, who married George Davidson; Mary, who married Ed-

ward White, and Ann, who married Rufus McElwain. All are now dead.

Charles Waters Jennings was married to Maria Woods Davidson, on December 14th, 1826, and established a home adjoining the Israel Jennings homestead. He died in 1872, and his wife in 1885. To this pair were born eight sons and two daughters: Josephus Waters, deceased, who lived near the home of his father; Harriet, who married B. F. Marshall, of Salem, Illinois, both deceased; Sarah, who married Robert D. Noleman, of Centralia, Illinois, both deceased; Mariah Elizabeth, the mother of William Jennings Bryan; America, deceased, who married William C. Stites, then of Marion County, Illinois; Nancy, who married Dr. James A. Davenport and lives at Salem, Illinois; Docia, who married A. Van Antwerp, and lives at St. Louis, Missouri; and Zadock, who lives near Walnut Hill.

Mariah Elizabeth Jennings, Mr. Bryan's mother, was born near Walnut Hill, Illinois, on May 24th, 1834. She attended the public schools of the neighborhood, and when nearly grown was the pupil of Silas L. Bryan, who was nearly twelve years her senior. At an early age she connected herself with the Methodist Episcopal Church, which was the church of her parents, and remained a member until about 1877, when she united with the Baptist Church, at Salem, to which her husband belonged. She was a woman of excellent sense and superior skill in management. Her husband's frequent absence from home threw upon her a large portion of the responsibility for the care and discipline of the

family, and for some years after his death her entire time was given to the nurture and education of the five minor children. When the boys were grown she removed from the farm to Salem, and became an active worker in her church and in societies for social improvement. She always took a deep interest in the political fortunes of her son William, and for counsel and instruction he has always felt indebted to her equally with his father. She lived during the later years of her life in a home which William bought for her use with the first savings from his Congressional salary. After a lingering illness, which she bore with great patience, she died on the 27th of June, 1896, and was laid to rest by the side of her husband.

To Silas Lillard and Mariah Elizabeth Bryan were born nine children. Of these Virginia, John and Hiram died in infancy. Russell Jones, born June 12th, 1864, died at the age of 17, on the eve of his departure for college; and Nancy Lillard died at the age of 34. Four children are now living, namely: Frances Mariah, born March 18th, 1858; William Jennings, born March 19th, 1860; Charles Wayland, born February 10th, 1867; Mary Elizabeth, born May 14th, 1872. Francis M. Bryan (now Baird), lives at Shaw, Mississippi, and Charles W. and Mary Elizabeth Bryan (now Allen) live in Lincoln, Nebraska.

The Bryan, Lillard, Jennings and Davidson families all belonged to the middle classes. They were industrious, law-abiding, God-fearing people. No member of the family ever became very rich, and none ever abjectly poor. Farming has been the

occupation of the majority, while others have followed the legal and medical professions and mercantile pursuits.

William Jennings Bryan, as a boy, was sturdy, round-limbed and fond of play. There is a tradition that his appetite developed very early. The pockets of his first trousers were always filled with bread, which he kept for an emergency. One of the memories belonging to this period is that he was ambitious to be a minister, but this soon gave place to a desire to be a farmer, and that to a determination to become a lawyer "like father." This purpose became the controlling one, and his education was directed toward that end.

Mr. Bryan's father purchased a farm of five hundred acres, one mile from the village, and when William was six years old the family removed to this new home. Here he studied, worked and played, until ten years of age, his mother being his teacher. He learned to read quite early. After committing lessons to memory he would stand upon a little table and speak them to his mother. This was his first recorded effort at speech-making. His work was to feed the deer which his father kept in a small park, and help care for the horses, cows, pigs and chickens; in short the variety of work known as "doing chores." His favorite sport was rabbit hunting with dogs. I am not sure that these expeditions were harmful to the game, but they have furnished his only fund of hunting adventures for the amusement of our children.

At the age of ten William entered the public

school at Salem. During his five years' attendance he was not an especially brilliant pupil, tho he never failed in examinations. In connection with his studies he developed an interest in the work of literary and debating societies. His father's Congressional campaign in 1872 led to his first political awakening. From that time he always cherished the thought of entering public life. His idea was first to win a reputation and secure a competency at the bar, and then to enter politics, but he seized an unexpected opportunity which came to him in 1890.

At fourteen Mr. Bryan became a member of the Cumberland Presbyterian Church. Later he joined the First Presbyterian Church at Jacksonville, Illinois, and upon our removal to Nebraska, brought his "letter" to the First Presbyterian Church of Lincoln, and later took his "letter" to the Westminster Presbyterian Church of the same city, to which he still belongs. As a matter of convenience, however, he and his family attend the Normal Methodist Church near his farm.

At fifteen Mr. Bryan entered Whipple Academy, the preparatory department of Illinois College, at Jacksonville, and with this step a changed life began. Vacation found him at home, but for eight years he led the life of a student, and then took up the work of his profession. Six years of his school life were spent in Jacksonville, in the home of Dr. Hiram K. Jones, a relative. The atmosphere of this home had its influence upon the growing lad. Dr. Jones was a man of strong character, of scholarly tastes, and of high ideals, and during the existence

of the Concord School of Philosophy was a lecturer upon Platonic Philosophy. Dr. Jones's wife, too, was a woman of rare attainments, and having no children, they gave the youth a home in the fullest sense of that word.

Mr. Bryan's parents wished him to take a classical course and while sometimes he grumbled over his Latin and Greek, he has since recognized the wisdom of their choice. Of these two languages, Latin was his favorite. He had a strong preference for mathematics, and especially for geometry, and has believed that the mental discipline acquired in this study has since been useful in argument. He was also an earnest student of political economy. This entrance into college life brings to mind an incident which shows both the young man's rapid growth and his father's practical views. During the first year of his absence from home he discovered, as his holidays drew near, that his trousers were becoming too short, and wrote home for money to buy a new pair. His father responded that, as it was so near vacation, he need not make any purchase until he reached home, and added: "My son, you may as well learn now, that people will measure you by the length of your head, rather than by the length of your breeches."

In college athletics, while he played very little at baseball or football, he was fond of foot-racing and jumping. Three years after graduation, on Osage Orange Day, he won a medal for the broad or standing jump, in a contest open to students and alumni. The medal records twelve feet and four inches as the distance covered.

A prize contest always fired Mr. Bryan's ambition. It may interest boys who read these pages to know of his record then in contest, and to note his gradual rise. During his first year at the Academy he declaimed Patrick Henry's masterpiece and not only failed to win a prize, but ranked well down in the list. Nothing daunted, the second year found him again entered with "The Palmetto and the Pine" as his subject. This time he ranked third. The next year, when a Freshman, he tried for a prize in Latin prose, and won half the second prize. Later in the year he declaimed "Bernardo del Carpio," and gained the second prize. In his Sophomore year he entered another contest, with an essay on the not altogether novel subject, "Labor." This time the first prize rewarded his work. In the Junior year an oration on "Individual Power" gave him the first prize. A part of this prize was a volume of Bryant's poems. Mr. Bryan afterwards gave me this book, his first gift, because it contained his favorite poem, "An Ode to a Waterfowl," which concludes:

> He who, from zone to zone,
> Guides through the boundless sky thy certain flight,
> In the long way that I must tread alone,
> Will lead my steps aright.

The winning of the Junior prize entitled him to represent Illinois College in the intercollegiate oratorical contest which was held at Galesburg, Illinois, in the fall of 1880. His oration was on "Justice," and was awarded the second prize of fifty dollars. Gen. John C. Black, of Illinois, was one of the

judges in this contest and marked Mr. Bryan one hundred in delivery. Upon invitation of Mr. Black, the young man called on him at his hotel and received many valuable suggestions on the art of speaking. At the time of graduation he was elected class orator and, having the highest rank in scholarship during the four years' course, delivered the valedictory. Upon entering the academy he had joined the Sigma Pi society, and was an active member for six years, profiting much by the training in essay, declamation and debate.

My personal knowledge of Mr. Bryan dates from September, 1879. He was then entering his Junior year. At the risk of departing from the purpose of this biography, I shall speak of my first impressions. I saw him first in the parlors of the young ladies' school which I attended in Jacksonville. He entered the room with several other students, was taller than the rest, and attracted my attention at once. His face was pale and thin; a pair of keen, dark eyes looked out from beneath heavy brows; his nose was prominent—too large to look well, I thought; a broad, thin-lipped mouth and a square chin, completed the contour of his face. He was neat, though not fastidious in dress, and stood firmly and with dignity. I noted particularly his hair and his smile, the former black in color, plentiful (it is thinner now), fine in quality, and parted distressingly straight; the latter, expansive and expressive. In later years his smile has been the subject of considerable comment, but the well-rounded cheeks of Mr. Bryan now check its onward march. No one has seen the real breadth of his

smile who did not see it in the early days. Upon one occasion, a heartless observer was heard to remark, "That man can whisper in his own ear," but this was a cruel exaggeration.

During the summer of 1880 Mr. Bryan was booked for his first political meeting. I record the details of this gathering for the encouragement of young speakers. He was to make a Democratic speech at a farmer's picnic near Salem, and the bills announced two other speakers, Mr. Bryan standing third on the list. On reaching the grove he found the two speakers and an audience of four, namely, the owner of the grove, one man in control of a wheel of fortune, and two men in charge of a lemonade stand. After waiting an hour for an audience which failed to come, the meeting adjourned *sine die*, and Mr. Bryan went home. Later in the fall, however, he made four speeches for Hancock and English, the first being delivered in the court house at Salem.

The graduating exercises of Illinois College occurred in June, 1881. Mr. Bryan's oration and valedictory address will be found in this collection of speeches. When the autumn came he entered the Union College of Law at Chicago. Out of school hours his time was spent in the office of ex-Senator Lyman Trumbull, who had been a political friend of Mr. Bryan's father. This acquaintance, together with the fact that a warm friendship existed between Mr. Bryan and his law school classmate, Henry Trumbull, the judge's son, led to the establishment of a second foster home—a home in which he and his family ever found a cordial

welcome. In this home, then lately bereft of its head, he spent his first Sabbath after the Chicago Democratic National Convention of 1896.

Mr. Bryan ranked well in the law school, taking an especial interest in constitutional law. He was connected with the debating society of the college, and took an active part in its meetings. At graduation his thesis was a defense of the jury system. His first fee was earned in the County Court at Salem.

To these years of study belong many things which are of interest to us, but which are too trivial for the public eye. I shall venture upon one, however. Many people have remarked upon the fondness which Mr. Bryan shows for quoting Scripture. This habit is one of long standing, as the following circumstance shows. The time came when it seemed proper to have a little conversation with my father and this was something of an ordeal, as my father was a rather reserved man. In his dilemma, William sought refuge in the Scriptures, and began: "Mr. Baird, I have been reading Proverbs a good deal lately, and find that Solomon says: 'Whoso findeth a wife, findeth a good thing, and obtaineth favour of the Lord!'" Father, being something of a Bible scholar himself, replied: "Yes, I believe Solomon did say that, but Paul suggests that, while he that marrieth doeth well, he that marrieth not doeth better." This was disheartening, but the young man saw his way through. "Solomon," he rejoined, "would be the better authority upon this point, because Paul was never married, while Solomon had a number of wives."

After this friendly tilt the matter was satisfactorily arranged.*

On July 4, 1883, Mr. Bryan began the practise of his profession in Jacksonville. Desk room was obtained in the office of Brown & Kirby, one of the leading firms in the city, and the struggle encountered by all young professional men began. The first six months were rather trying to his patience, and he was compelled to supplement his earnings by a small advance from home. Toward the close of the year he entered into correspondence with his former law school classmate, Henry Trumbull, then located at Albuquerque, New Mexico, and discussed with him the advisability of removing to that Terri-

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* Readers will like to have printed here a note, obtained by the publisher, as to the lady whom Mr. Bryan married. Mary Baird Bryan was the only child of John and Lovina Baird. John Baird was a prosperous merchant of Perry, Illinois. Mrs. Bryan was born June 17, 1861. After a course in the public schools she attended for one year Monticello Seminary, at Godfrey, Illinois, and for two years the Presbyterian Academy at Jacksonville, Illinois, graduating from the latter institution with first honors in June, 1881. She has continued her studies since graduation, giving special attention to German. After her marriage, in 1884, she read law, with her husband as instructor, taking the course prescribed in the Union College of Law of Chicago. She was admitted to practise in the Supreme Court of Nebraska in November, 1888. This course of study was not taken up with a view to entering practise, but in order to put herself in closer relations with her husband, to whom she has been a real helpmeet in every sense of the term. He has often acknowledged his indebtedness to her for constant and valuable assistance in his work. She is devoted to her home, and to her children has been both mother and companion. She became a member of the Methodist Church, the church of her parents, in early life, but after her marriage took a "letter" to the Presbyterian Church.

tory. After the 1st of January, however, clients became more numerous, and he felt encouraged to make Jacksonville his permanent home. The following spring he took charge of the collection department of Brown & Kirby's office, and in a little more than a year his income seemed large enough to support two. During the summer of 1884 a modest home was planned and built, and on October 1, 1884, we were married.

During the next three years we lived comfortably, tho economically, and laid by a small amount. Politics lost none of its charms, and each campaign found Mr. Bryan speaking, usually in our own county. Three years after graduation he attended the commencement at Illinois College, delivered the Master's oration, and received the degree. His subject on that occasion was "American Citizenship." In the summer of 1887 legal business called him to Kansas and Iowa, and a Sabbath was spent in Lincoln, Nebraska, with a law school classmate, Hon. A. R. Talbot.

Mr. Bryan was greatly imprest with the beauty and business enterprise of Lincoln, and with the advantages which a growing capital furnishes for a young lawyer. He returned to Illinois full of enthusiasm for the West, and perfected plans for our removal thither. No political ambitions entered into this change of residence, as the city, county and State were strongly republican. He arrived in Lincoln, October 1, 1887, and a partnership was formed with Mr. Talbot. As Mr. Bryan did not share in the salary which Mr. Talbot received as a railroad attorney, he had to begin again at the

bottom of the ladder. During this winter our daughter Ruth and I remained in Jacksonville. In the following spring a second house was built at 1625 D street, and the family was reunited in its Western home. The practise again became sufficient for our needs, and during the three years which followed we were again able to add to our reserve fund. I might here suggest an answer to a hostile criticism, namely, that Mr. Bryan did not distinguish himself as a lawyer. Those who thus complain should consider that he entered the practise at twenty-three and left it at thirty-one, and during that period began twice, and twice became more than self-supporting. At the time of his election to Congress his practise was in a thriving condition, and fully equal to that of any man of his age in the city.

Mr. Bryan often met such demands as are commonly made upon lawyers in the way of short addresses, toasts, etc. Some of this post-prandial oratory was employed in the discussion of questions of public importance. The following was a toast upon "The Law and the Gospel," delivered in the spring of 1890 at a banquet given by the St. Paul Methodist Church of Lincoln, in honor of some distinguished visitors:

It is rather by accident than by design that this sentiment has fallen to me. Had not my law partner been called unexpectedly from the State he would have responded with more propriety and more ability to "The Law and the Gospel."

These are important words: each covers a wide field by itself and together they include all government. There is not between them, as some suppose, a wide gulf fixt. Many have commenced with us only to be called to a higher sphere,

and a few ministers have come to us when they were convinced that they had answered to another's call.

In the earlier days the prophet was also the lawgiver. He who wore the priestly robe held in his hands the scales of justice. But times are changed. For the good of the State and for the welfare of the church, the moral and the civil law have been separated. To-day we owe a double allegiance, and "render unto Caesar the things that are Caesar's, and unto God the things that are God's." Their governments are concentric circles and can never interfere. Between what religion commands and what the law compels there is, and ever must be, a wide margin, as there is also between what religion forbids and what the law prohibits. In many things we are left to obey or disobey the instructions of the Divine Ruler, answerable to Him only for our conduct. The gospel deals with the secret purposes of the heart as well as with the outward life, while the civil law must content itself with restraining the arm outstretched for another's hurt or with punishing the offender after the injury is done.

Next to the ministry, I know of no more noble profession than the law. The object aimed at is justice, equal and exact, and if it does not reach that end at once it is because the stream is diverted by selfishness or checked by ignorance. Its principles ennoble and its practise elevates. If you point to the pettifogger, I will answer that he is as much out of place in the temple of justice as is the hypocrite in the house of God. You will find the "book on tricks" in the library of the legal bankrupt—nowhere else. In no business in life do honesty, truthfulness and uprightness of conduct pay a larger dividend upon the investment than in the law. He is not only blind to his highest welfare and to his greatest good, but also treading upon dangerous ground, who fancies that mendacity, loquacity and pertinacity are the only accomplishments of a successful lawyer.

You cannot judge a man's life by the success of a moment, by the victory of an hour, or even by the results of a year. You must view his life as a whole. You must stand where you can see the man as he treads the entire path that leads from the cradle to the grave—now crossing the plain, now climbing the steeps, now passing through pleasant fields, now wending his way with difficulty between rugged rocks —tempted, tried, tested, triumphant. The completed life of every lawyer, either by its success or failure, emphasizes

the words of Solomon—"The path of the just is as a shining light that shineth more and more unto the perfect day."

By practising upon the highest plane the lawyer may not win the greatest wealth, but he wins that which wealth cannot purchase and is content to know and feel that "a good name is rather to be chosen than great riches; and loving favor rather than silver and gold."

There are pioneers of the gospel whose names you speak with reverence, Calvin, Knox, the Wesleys and Asbury, besides many still living, and you love them not without cause. There are those in our profession whom we delight to honor. Justinian and Coke, Blackstone and Jay, Marshall and Kent, Story and Lincoln, men who have stood in the thickest of the fight, have met every temptation peculiar to our profession, and yet maintained their integrity.

It is a fact to which we point with no little pride, that with a history of a hundred years no member of the Supreme Court of the United States has ever been charged with corrupt action altho untold millions have been involved in the litigation before the court. Nor do I now recall any member of the supreme court of any State who has been convicted of misusing his office.

"The Law and the Gospel." Great in their honored names, great in their history, great in their influence. To a certain extent they supplement each other. The law asks of the gospel counsel, not commands. The gospel goes far beyond the reach of law, for while the law must cease to operate when its subject dies, the gospel crosses the dark river of death and lightens up the world which lies beyond the tomb. The law is negative, the gospel positive; the law says "do not unto others that which you would not have others do unto you," while the gospel declares that we should "do to others that which we would that others should do unto us."

"The Law and the Gospel." They form an exception to the rule that in union there is strength, for each is strongest when alone. And I believe that the greatest prosperity of the State and greatest growth of the church will be found when the law and the gospel walk, not hand in hand but side by side.

Mr. Bryan became actively connected with the Democratic organization in Nebraska immediately after coming to the State, his first political speech

of importance being made at Seward in the spring of 1888. Soon afterward he went as a delegate to the State Convention; this gave him an acquaintance with the leading Democrats of the State and resulted in a series of speeches. He made a canvass of the First Congressional district that fall in behalf of Hon. J. Sterling Morton, and also visited some thirty counties throughout the State. Mr. Morton was defeated by thirty-four hundred, the district being normally republican.

When the campaign of 1890 opened there seemed small hope of carrying the district and there was but little rivalry for the nomination. Mr. Bryan was selected without opposition, and at once began a vigorous campaign. An invitation to joint debate was issued by his committee and accepted by his opponent, Hon. W. J. Connell, of Omaha, who then represented the district. These debates excited attention throughout the State. I have always regarded the first debate of this series as marking an important epoch in Mr. Bryan's life. The meeting took place in Lincoln. I had never before seen Mr. Bryan so pre-occupied and so intent on making his effort acceptable. He had the opening and the closing speeches. The hall was packed with friends of both candidates and applause was quite evenly divided until the closing speech. I dare not describe this scene as it stands out in my memory. The people had not expected such a summing-up of the discussion; each sentence contained an argument; the audience was surprised, pleased and enthusiastic. The occasion was a Chicago convention in miniature, and delighted Mr. Bryan's support-

ers. In addition to these eleven joint contests, Mr. Bryan made a thorough canvass, speaking about eighty times and visiting every city and village in the district. Tho these debates were crisp and sharp in argument, they were marked by the utmost friendliness between the opponents. At the close of the last debate, Mr. Bryan presented Mr. Connell a copy of Gray's Elegy in a brief speech which will be found in this collection.

When the returns were all in, it was found that Mr. Bryan was elected by a plurality of 6,713. Desiring to give his entire time to his Congressional work, he, soon after election, so arranged his affairs as to retire from practise, altho retaining a nominal connection with the firm.

In the speakership caucus with which Congress opened, Mr. Bryan supported Mr. Springer, in whose district we had lived when at Jacksonville; in the House, he voted for Mr. Crisp, the caucus nominee, and in the Fifty-third Congress voted for Mr. Crisp both in the caucus and in the House. Mr. Springer was made chairman of the Committee on Ways and Means, and it was largely through his influence that Mr. Bryan was given a place upon that committee. His first speech of consequence was the tariff speech of March 16, 1892. This was the second important event in his career as a public speaker. The place which he held upon the Ways and Means Committee is rarely given to a new member, and he wished the speech to justify the appointment. It is perhaps unnecessary for me to comment at length upon the reception accorded this speech, as the press at the time gave

such reports that the occasion will probably be remembered by those who read this sketch.

This speech increased his acquaintance with public men, and added to his strength at home. More than one hundred thousand copies were circulated by members of Congress.

Upon his return to Nebraska he was able to secure reelection in a new district (the State having been reapportioned in 1891) which that year gave the Republican State ticket a plurality of 6,500. His opponent this time was Judge A. W. Field, of our own city. The Democratic committee invited the Republicans to join in arranging a series of debates, and this invitation was accepted. This was even a more bitter contest than the campaign of 1890, Mr. McKinley, Mr. Foraker and others being called to Nebraska to aid the Republican candidate. Besides the eleven debates, which aroused much enthusiasm, Mr. Bryan again made a thorough canvass of the district. The victory was claimed by both sides until the Friday following the election, when the result was determined by official count, Mr. Bryan receiving a plurality of 140.

In the Fifty-third Congress Mr. Bryan was reappointed upon the Ways and Means Committee and assisted in the preparation of the Wilson bill. He was a member of the sub-committee (consisting of Representatives MacMillan, Montgomery and himself) which drafted the income tax portion of the bill. In the spring of 1893, through the courtesy of the State Department, Mr. Bryan obtained a report from the several European nations which collect an income tax, and the results of this re-

search were embodied in the Congressional Records during the debate. He succeeded in having incorporated in the bill a provision, borrowed from the Prussian law, whereby the citizens who have taxable incomes make their own returns and those whose incomes are within the exemption are relieved from annoyance. On behalf of the committee, Mr. Bryan closed the debate, replying to Mr. Cockran with the speech given in this volume.

During the discussion of the Wilson bill, Mr. Bryan spoke in its defense. His principal work of the term, however, was in connection with monetary legislation. His speech of August 16, 1893, in opposition to the unconditional repeal of the Sherman law (printed in this volume) brought out even more hearty commendation than his first tariff speech. Of this effort, it may be said that it contained the results of three years of study upon the money question. While in Congress he made a fruitless effort to secure the passage of the following bill:

Be it enacted, etc.: That section 800 of the Revised Statutes of the United States, of 1878, be amended by adding thereto the words "In civil cases the verdict of three-fourths of the jurors constituting the jury shall stand as the verdict of the jury, and such a verdict shall have the same force and effect as a unanimous verdict."

The desire to have the law changed so as to permit less than a unanimous verdict in civil cases, was one which he had long entertained. In February, 1890, in response to a toast at a bar association banquet in Lincoln, he spoke upon the jury system, advocating the same reform. His remarks were as follows:

One of the questions which has been for some time discust,

and which is now the subject of controversy, is, "Has the jury system outlived its usefulness?"

I think I voice the opinion of most of those present when to the question I answer an emphatic No.

To defend this answer it will not be necessary to recall the venerable age of the system, its past achievements, or the splendid words of praise which have been uttered in its behalf. It finds ample excuse for its existence in the needs of to-day.

The circumstances which called it into life have passed away and many of its characteristics have been entirely changed, but never, I am persuaded, in the history of the English speaking people, has the principle which underlies the trial by jury been more imperatively demanded than it is to-day.

This is an age of rapid accumulation of wealth, and the multiplication of corporations gives to money an extraordinary power.

One million dollars in the hands of one man or one company will outweigh, in the political and social world, ten times that sum divided among a thousand people. Can the temple of justice hope to escape its polluting touch without some such barrier as that which the jury system raises for its protection? Is there not something significant in the direction from which much of the complaint against the system comes?

If the question, "Shall the jury be abandoned or retained?" were submitted to a vote, we would find prominent among the opposing forces the corporate influences, the wealthy classes, and those busy citizens to whom jury service, or even the duty of an elector, is a burden.

While the great mass of its supporters would be found among those who are compelled to fight the battle of life unaided by those powerful allies—social position, political influence and money—men whose only sword is the ballot, and whose only shield, the jury. The jury system is not perfect—we do not look for perfection in government—but it has this great advantage, that if the verdict falls to one side of the straight line of the law it is usually upon the side of the poorest adversary.

All stand equal before the law, whether they be rich or poor, high or low, weak or strong; but no system has yet been devised which will insure exact justice at all times between man and man.

We choose not between a perfect system and an imper-

fect one, but between an imperfect system and one more imperfect still. And if the scales of justice cannot be perfectly poised, the safety of society demands that they tip most easily toward the side of the weak.

Faith in trial by jury implies no reflection upon the integrity of the bench. We recall with pardonable pride the names of our illustrious judges whose genius and learning have given luster to our professions and whose purity and probity have crowned it with glory.

But they won their distinction in expounding the law and left the decision of the facts to those fresh from contact with the busy world.

If to the present duties of the judge we add those now discharged by the jury, is it not possible that the selection of a judge will be secured because of his known sympathies? Will not the standard be so lowered that we may see upon the bench an agent instead of an arbiter?

In what position will the suitor be who finds, when called before a biased tribunal, that he has neither peremptory challenge nor challenge for cause. No more fatal blow could be struck at our national welfare than to give occasion for the belief that in our courts a man's redress depends upon his ability to pay for it.

If the jury can guard the court room from the invasion of unfair influences it will be as valuable for what it prevents as for what it gives.

Time does not admit of extended reference to those faults in the system which give occasion for just criticism, faults which its friends are in duty bound to prune away from it. The requirement of an unanimous verdict causes many mistrials. In civil causes, where a decision follows the evidence, it is difficult to see why substantial justice would not be done by a majority, or, at most, a two-thirds majority verdict; but we cannot abandon the old rule in criminal cases without trespassing on the sacred right of the accused to the benefit of every reasonable doubt; for a divided jury, in itself, raises a doubt as to his guilt. The law recently passed making it a misdemeanor for a man to ask for appointment as a juror, or for an attorney to seek a place for a friend, is a step in the right direction.

Between a partizan juror and a professional juror it is only a choice between evils. If to fill the panel with bystanders means to fill it with men standing by for the purpose of being called, we are ready for a law which will

compel the sheriff to seek talesmen beyond the limits of the court house. Any change, the aim of which is to compel the selection of men of ordinary intelligence and approved integrity as jurors, will be acceptable to the people. But now that all men read the news, the information thus acquired should no longer render them incompetent for jury service. It is a premium upon ignorance which we cannot afford to pay. Instead of summoning a juryman for a whole term we should limit his service to one or two weeks. This would lighten the burden without impairing the principle. To that argument, however, which assumes that business men can afford no time for jury service there can be but one answer, No government can long endure unless its citizens are willing to make some sacrifice for its existence.

In this, our land, we are called upon to give but little in return for the advantages which we receive. Shall we give that little grudgingly? Our definition of patriotism is often too narrow.

Shall the lover of his country measure his loyalty only by his service as a soldier? No! Patriotism calls for the faithful and conscientious performance of all of the duties of citizenship, in small matters as well as great, at home as well as upon the tented field.

There is no more menacing feature in these modern times than the disinclination of what are called the better classes to assume the burdens of citizenship. If we desire to preserve to future generations the purity of our courts and the freedom of our people, we must lose no opportunity to impress upon our citizens the fact that above all pleasure, above all convenience, above all business, they must place their duty to their government; for a good government doubles every joy and a bad government multiplies every sorrow. Times change but principles endure. The jury has protected us from the abuse of power and it is still needed.

While human government exists the tendency to abuse power will remain. This system, coming down from former generations crowned with the honors of age, is today and for the future our hope.

Let us correct its defects with kindly hands, let us purge it of its imperfections and it will be, as in the past, the bulwark of our liberties.

Besides the work which I have mentioned, Mr. Bryan spoke briefly upon several other questions,

namely, in favor of the election of United States Senators by a direct vote of the people, and in favor of the anti-option bill; in opposition to the railroad pooling bill and against the extension of the Pacific liens. In the Fifty-third Congress the Democrats adopted a rule which was somewhat similar to the one in force under Speaker Reed, providing for the counting of a quorum. Mr. Bryan opposed this rule, the reasons which he then gave in support of his position being set forth in a speech which will be found in this collection.

In the spring of 1894, Mr. Bryan announced that he would not be a candidate for reelection to Congress, and later decided to stand as a candidate for the United States Senate. He was nominated for that office by the unanimous vote of the Democratic State Convention. While the Republicans made no nomination, it seemed certain that Mr. Thurston would be their candidate and the Democratic committee accordingly issued a challenge to him for a series of debates. The Republicans were also invited to arrange a debate between Mr. McKinley and Mr. Bryan, Mr. Kinley having at that time an appointment to speak in Nebraska. The latter invitation was declined, but two meetings were arranged with Mr. Thurston. These were the largest political gatherings that had ever been held in the State and were as gratifying to the friends of Mr. Bryan as his previous debates. During the campaign Mr. Bryan made a canvass of the State, speaking four or five hours each day, and sometimes riding thirty miles over rough roads between speeches. At the election, Nebraska shared in the

general landslide; the Republicans had a large majority in the Legislature and elected Mr. Thurston. This defeat was a disappointment, but it did not discourage Mr. Bryan, as is evident from an address to his supporters, extracts from which follow:

The Legislature is Republican, and a Republican Senator will now be elected to represent Nebraska. This may be mortifying to the numerous chairmen who have introduced me to audiences as "the next Senator from Nebraska," but it illustrates the uncertainty of prophecies.

I appreciate more than words can express the cordial good will and the loyal support of the friends to whom I am indebted for the political honors which I have received. I am especially grateful to those who bear without humiliation the name of the common people, for they have been my friends when others have deserted me. I appreciate also the kind words of many who have been restrained by party ties from giving me their votes. I have been a hired man for four years and, now that the campaign is closed, I may be pardoned for saying that as a public servant I have performed my duty to the best of my ability, and am not ashamed of the record made.

I stept from private life into national politics at the bidding of my countrymen; at their bidding I again take my place in the ranks and resume without sorrow the work from which they called me. It is the glory of our institutions that public officials exercise authority by the consent of the governed rather than by divine or hereditary right. Paraphrasing the language of Job, each public servant can say of departing honors: The people gave and the people have taken away, blessed be the name of the people.

Speaking of my own experience in politics, I may again borrow an idea from the great sufferer and say: What, shall we receive good at the hands of the people, and shall we not receive evil? I have received good even beyond my deserts, and I accept defeat without complaint. I ask my friends not to cherish resentment against any one who may have contributed to the result.

The friends of these reforms have fought a good fight; they have kept the faith, and they will not have finished

their course until the reforms are accomplished. Let us be grateful for the progress made, and "with malice toward none and charity for all" begin the work of the next campaign.

Mr. Bryan received the votes of all the Democrats and of nearly half of the Populist members. It might be suggested here that while Mr. Bryan had never received a nomination from the Populist party, he had been, since 1892, materially aided by individual members of that organization. In Nebraska the Democratic party has generally been in the minority, and as there were several points of agreement between it and the Populist party, Mr. Bryan advocated cooperation between the two. In the spring of 1893 he received the support of a majority of the Democratic members of the Legislature, but, when it became evident that no Democrat could be elected, he assisted in the election of Senator Allen, a Populist. Again, in 1894, in the Democratic State Convention, he aided in securing the nomination of a portion of the Populist ticket, including Mr. Holcomb, Populist candidate for Governor. The cordial relations which existed between the Democrats and Populists in Nebraska were a potent influence in securing his nomination at Chicago.

On September 1, 1894, Mr. Bryan became chief of the editorial staff of the Omaha World-Herald, and from that date until the national convention of 1896 gave a portion of his time to this work. This position enabled him daily to reach a larger number of people in the discussion of public questions and also added considerably to his income. While the contract fixt a certain amount of editorial

matter as a minimum, his interest in the work was such that he generally exceeded rather than fell below the required space.

After the adjournment of Congress Mr. Bryan, on his way home, lectured at Cincinnati, Nashville, Tenn., Little Rock, Ark., and at several points in Missouri, the beginning of his career as a lecturer, arriving in Lincoln March 19, his thirty-fifth birthday. The Jefferson Club tendered him a reception, and an opera house packed with an appreciative audience rendered this a very gratifying occasion to Mr. Bryan. As he was no longer in public life, and could show no favors in return, the disinterested friendship shown will always be remembered with pleasure. He chose as his theme, "Thomas Jefferson Still Lives," and, after reviewing the work of the Fifty-third Congress, discust at length the principles of his patron saint.

Mr. Bryan intended to resume the practise of law and reopen his office. At this time, however, the contest for supremacy in the Democratic party had begun in earnest and calls for speeches were so numerous and so urgent that it seemed best to devote his time to lecturing and to the public discussion of the money question. In view of the suggestions which have been made that Mr. Bryan was in the pay of the silver league, I will be pardoned for speaking of the earnings during these months. His editorial salary formed the basis of his income. When lecturing before Chautauqua and similar societies he was paid as other lecturers. Never at any time was he under the direction of, or in the pay of, any silver league or association of

persons pecuniarily interested in silver. During the interim between the adjournment of Congress and the Chicago convention he spoke in all the States of the West and South, and became acquainted with those most prominently connected with the silver cause.

He spoke on several occasions outside of Congress, once at the National Cemetery at Arlington, May 30, 1894. The scene was impressive and the audience representative, President Cleveland and four of his Cabinet being in attendance. This speech will be found in this collection.

I shall not discuss the incidents leading up to Mr. Bryan's nomination for the Presidency farther than to say that, while the nomination was unexpected to the public at large, Mr. Bryan had already received a number of letters from delegates suggesting his nomination. That Mr. Bland, whose leadership Mr. Bryan followed in Congress, recognized Mr. Bryan as an available candidate is shown by the following letter:

LEBANON, Mo., April 28, 1896.

FRIEND BRYAN:

Yours of the 23d inst., containing report of your convention, received. I am quite sure your convention would have paid you the high compliment you so well deserve of indorsing you and recommending your nomination at Chicago, but for the fact, as you state in your letter, that you yourself intervened to prevent it; that you believe you would be in a better position without indorsement to fight for the main cause, the adoption of a free coinage platform at Chicago. I entertained the same opinion myself in Missouri, but was overruled. At the same time, I have insisted to now, and shall insist, that nothing shall be done in my interest that will in the least degree impede or in any manner interfere with the accomplishment of

our success in whipping Gold Bugs in the matter of platform in the National Convention.

I am glad to know that you are going to Iowa and to Illinois, as well as to Michigan. I see by the papers that Michigan is already sure. I hope you will aid ex-Governor Boies in Iowa, for I am taking great interest in that State, as well as in the State of Kentucky. If these two States go free coinage, I think our victory is assured. If we can succeed in adopting a free coinage platform at Chicago, there will be no trouble to get a man to fit the platform. And whether it should be myself or you or Ex-Governor Boies, or any other, whose record shows that the people can expect their will to be carried out by the man elected, we will certainly win a great victory at the polls.

As for myself I have no greater ambition in the matter than to see the cause for which I have battled so long triumphant, and that I may witness during my lifetime beneficial results to the people of my country.

Sincerely your friend,

R. P. Bland.

While Mr. Bryan's nomination has often been credited to his speech in the convention, it must be remembered that he had been in nearly all of the States helping to organize the fight, and was personally acquainted with a great many delegates. I recall that he was anxious for me to go to the convention because, while he regarded the prospect of his nomination as remote, he believed that the conditions were such as to bring it within the range of possibilities. The Populist party and the silver Republican party also nominated Mr. Bryan, the Silver Republicans endorsing the Democratic candidate for Vice-President, Arthur Sewell, the Populist convention nominating Thomas E. Watson, of Georgia, for the second place.

The campaign of 1896 was a hotly contested one, and Mr. Bryan traveled farther, made more speeches and addrest more people than any man

had ever done before in the same length of time. The election showed a rearrangement of the political map. A number of the Western States went Democratic for the first time, while the Republicans carried all the Eastern States by large majorities. The Republican majority in the Electoral College was ninety-five, but there was such a tremendous increase in the popular vote that, altho the Democratic vote was increased about one million over the vote of that party in 1892, the Republicans had a popular majority of some six hundred thousand. The vote was so close, however, in a number of States that a change of twenty thousand from one side to the other, properly apportioned in the close States, would have changed the result of the election.

At the close of the campaign Mr. Bryan decided to continue his political work instead of returning to the law. To practise his profession he would be compelled to disappoint the expectations of those who had become his co-workers in the field of politics, and he therefore decided to suspend for a while longer the practise of law. He returned to the lecture field, and since then has derived his income from his lectures and his writings. It may be added, however, that he does not receive compensation for political speeches, and that he delivers more speeches without remuneration than he does for pay. His book, "The First Battle," issued soon after election, had a large sale.

On the day that war was declared against Spain Mr. Bryan sent the following telegram to the President.

April 25, 1898.

Hon. William McKinley, *President.*

My Dear Sir:—I hereby place my services at your command during the war with Spain and assure you of my willingness to perform, to the best of my ability, any duty to which you, as the commander in chief of the army and navy, may see fit to assign me.

Respectfully yours,

W. J. Bryan.

Governor Holcomb of Nebraska afterward asked him to raise a regiment. A similar invitation was received from Governor Stephens of Missouri. Mr. Bryan at once responded to Governor Holcomb, and in a short time was commissioned as colonel of the Third Nebraska Infantry. His regiment was ordered to report to General Fitzhugh Lee, the commander of the Seventh Army Corps, camped at Panama Park, near Jacksonville, Florida. At this place, at Pablo Beach, Fla., and at Savannah, Ga., Mr. Bryan spent the five months which he devoted to military life. He saw no service in the field, but the sickness which the men suffered in camp acquainted him with the fact that even camp life calls for sacrifice from the soldier. Mr. Bryan suffered from malarial fever and later had a slight attack of typhoid. After the suspension of hostilities, and while the terms of the treaty were being agreed upon, the Government began to dismiss regiments, and an inquiry was addrest to Mr. Bryan, as to other regimental commanders, asking whether his regiment desired to be dismissed. Believing that the enlisted men as well as the officers should have a voice in the decision of this question, he made the following reply to the brigade commander:

HEADQUARTERS 3, NEBRASKA VOL. INFT.
PANAMA PARK, Aug. 23, 1898.

To COL. W. H. MONTGOMERY,
Commanding 1st Brig., 3d Div.,
7th Army Corps,
Panama Park, Fla.

Sir:—In reply to your request that I ascertain the sentiment of the 3d Reg. Neb. Vols., respecting future service, I have the honor to report that I am not informed as to the proper method to be employed in securing an expression from the members of the regiment.

Speaking for myself, I prefer to express no choice as to service, but beg to place myself at the disposal of the government and to assure the government, through you, that I am ready to perform any duties assigned to me. I have no doubt that the other officers stand in the same attitude. If you desire me to make a canvass, I shall promptly ascertain in such manner as you may direct the wishes of the officers alone or the sentiment of the entire regiment, including enlisted men.

I have the honor to remain,

Respectfully, etc.,
W. J. BRYAN,
Col. 3d Neb. Vol.

The information which he asked was never furnished by the War Department, but the president later, acting upon Mr. Bryan's advice, authorized him to discharge about a third of the regiment, and he, in making the discharges, gave preference, first, to married men, second, to sons of widows, and third, to families which furnished more than one son. As soon as the terms of the treaty were agreed upon, Mr. Bryan forwarded his resignation to Washington. Below will be found his resignation with the endorsement made upon it by his superior officers.

CAMP ONWARD.
SAVANNAH, GA., Dec. 10, 1898.

ADJT. GEN. U. S. A.,
Washington, D. C.

Sir:—The dispatches from Paris announce that the terms of the treaty between the United States and Spain have been fully agreed upon, and that the Commissioners will sign the same as soon as it can be engrossed.

Believing that, under present conditions, I can be more useful to my country as a civilian than as a soldier, I hereby tender my resignation, to take effect immediately upon its acceptance.

Respectfully, etc.,
W. J. BRYAN,
Col. 3d Reg., Neb. Vol. Inft.

HEADQUARTERS 1ST BRIGADE,
1ST DIV., 7TH ARMY CORPS,
CAMP ONWARD.
SAVANNAH, GA., Dec. 10, 1898.

Respectfully for'd. It is with sincere regret that the 1st Brigade should lose the services of so efficient an officer.

W. H. MABRY,
Col. 1st Texas Vol. Inft.,
Commanding.

HEADQUARTERS 1ST DIV. 7TH A. C.,
CAMP ONWARD.
SAVANNAH, GA., Dec. 10, 1898.

Respectfully forwarded through Headquarters of the A. C. It is with regret that this resignation is forwarded approved. Col. Bryan's regiment the 3d Neb. Vol. Inft., is in a high state of efficiency and discipline, and his efforts for its welfare and improvement have been untiring.

FLOYD WHEATON,
Brig. Gen. U S. A.,
Commanding.

HEADQUARTERS U. S. FORCES,
CAMP ONWARD, SAVANNAH, GA.
Dec. 10, 1898.

Respectfully forwarded approved. I deeply regret that Col. Bryan is called on to tender his resignation. I concur in what is said in the foregoing endorsements.

J. WARREN KEIFER,
Maj. Gen. Commanding.

SAVANNAH, GA., Dec. 10, 1898.

Having turned over the command of the troop here to Gen. Keifer, I will not be prevented—as Col. Bryan's former commander—on the eve of my departure for Cuba, from saying I greatly regret that the Colonel has decided to sever his relation with my 7th Corps, for our relations have been very agreeable and he has ever been most faithful and conscientious in all duties confided to him.

FITZHUGH LEE,
Maj.-Gen. U. S. A.

The resignation was accepted on the day the treaty was signed. It required more courage to resign than to enlist, but Mr. Bryan believed, as he said in his resignation, that he could be more useful to his country as a civilian than as a soldier, and he was fortunate in having as Lieut.-Col. of his regiment Victor Vifqain, a superb soldier, who won the brevet of Brigadier-General in the Civil War. Mr. Bryan at once took up the fight against a colonial policy.

In December, 1903, he made his first trip to Europe, taking our son with him, and visiting ten of the principal capitals. On this trip he called upon Tolstoy at his country home near Moscow, and was deeply imprest by his day spent with the Russian philosopher.

He was renominated for President in 1900 by acclamation (his nomination was again indorsed by the Populist and Silver Republicans), and was again defeated. Hon. Adlai E. Stevenson, of Illinois, Vice-President from 1893 to 1897, was his running mate. In this campaign some of the Western States returned to their allegiance to the Republican party, but the Democrats made gains in the East. Imperialism was the paramount issue

in that campaign. Mr. Bryan's speech of acceptance, which will be found in this collection, deals with fundamental questions and he regards it as one of the most, if not the most, important of his political speeches. The total vote cast in 1900 was substantially the same as that cast in 1896, the Republican party gaining about one hundred and fifty thousand, and the Democratic party losing about that number.

After the election Mr. Bryan established *The Commoner*, a weekly paper devoted to political science, political economy and sociology. He still continues its publication and through it has been able to keep in touch with the political thought of the country. The more important editorials are reported to the dailies by wire on the morning the paper reaches its subscribers, while some three thousand Democratic papers receive it in exchange.

Mr. Bryan announced immediately after the election of 1900 that he would not be a candidate in 1904, but would make no pledge as to the campaigns beyond that. He attended the St. Louis Convention in 1904 at the head of his State delegation, and as a member of the Committee on Resolutions, took an active part in the sixteen hours' session that resulted in the presentation of a harmonious platform. The speech which he delivered at that convention will be found in this collection, and it sets forth his position more elaborately than it can be done in this brief sketch. He did not approve of the nomination, but he tendered his services to the National Committee and through his paper and on the stump did what he could for the national ticket.

After the election of 1904 it became apparent that there was a reaction in favor of the progressive element of the party. The shrinkage of a million and a quarter in the party vote led many editors to predict the nomination of Mr. Bryan in 1908. Two years later, while Mr. Bryan was out of the country, about half of the Democratic State conventions adopted resolutions urging his candidacy.

On the 21st day of September, 1905, Mr. Bryan and I, accompanied by the two younger children, left home for a tour of the world. Leaving San Francisco on September 27th we visited Japan, Korea, China, the Philippine Islands, Java, India, Egypt, the Holy Land, and most of the countries of Europe, completing the journey in sixteen days less than a year. During the trip Mr. Bryan wrote forty-six letters which were published in a syndicate of dailies and reproduced in *The Commoner*. These letters, together with ten letters written during his former trip to Europe, have since been published in a book entitled "The Old World and Its Ways." While on this trip he wrote a little book entitled, "Letters to a Chinese Official," in defense of Christian civilization. The book is an answer to a book published a few years ago under the title of "Letters of a Chinese Official."

During the progress of this journey we had an opportunity to study the customs of the people of the various nations, the social conditions existing throughout the world, forms of government and systems of religion. Mr. Bryan has since drawn largely from the fund of information accumulated. While in England he attended the Fourth of July

dinner given by the American Society in London and also the London session of the Interparliamentary Union. The speeches which he delivered on these occasions will be found in this collection.

While in Egypt he received and accepted an invitation from the officers of the Traveling Men's Bryan Club of New York to attend a reception which the club desired to give upon his arrival in New York. It was supposed at the time that it would be like the reception tendered upon his return from his first trip to Europe—that is, held in one of the hotels and attended by a few friends—but the endorsements given by the various States had created so much enthusiasm that the reception became national instead of local, and was held in Madison Square Garden. There was scarcely a State that was not represented by prominent Democrats, and many States sent large delegations. The speech delivered on this occasion was an outline of the questions which seemed likely to enter into the approaching campaign, and was regarded as a statement of Mr. Bryan's position upon these questions. A brief reference to the subject of government ownership, however, excited so much comment that the other questions were to a large extent overlooked, and he soon afterwards in a speech at Louisville, Ky., answered the misrepresentations that had been directed against the reception speech. Both of these speeches will be found in this collection, as will also the speech delivered at the reception tendered him by the people of his home city.

Mr. Bryan was nominated for the Presidency for a third time in 1908. In some States there was a

spirited contest for the control of the delegations, but on roll call the vote stood about nine to one in his favor. Hon. John W. Kern, of Indiana, was the nominee for Vice-President, and "Shall the people rule?" was declared to be the paramount issue in this campaign, altho the tariff question, the trust question and the guaranty of bank deposits came in for a large share of consideration. The speeches on these subjects, to be found in this collection, set forth the issues as they were presented.

For a third time he met defeat. The Republicans increased their vote about fourteen thousand over their vote of 1904, while the Democrats increased their vote about one million three hundred thousand over their vote in that year, and some fifty thousand over their vote in 1900. Nebraska, after going Democratic in 1896, went Republican in 1900, but returned to the Democratic column in 1908, much to the gratification of Mr. Bryan, and he found scarcely less satisfaction in the fact that he received a majority of 789 in the Republican city of Lincoln and carried his voting precinct, his county and his Congressional district as well. While the local victory did not affect the national result, it added to the pleasure of residence here to receive so complimentary a vote among those who knew him best.

After the election Mr. Bryan resumed his lecturing and editorial work, devoting himself, as before, to the advocacy of the reforms which to him seemed desirable, announcing that he hoped that it would never become necessary for him to be a candidate for office again.

A word, in closing, about his domestic life. Three children have been born into our family: Ruth Baird, October 2, 1885; William Jennings, Jr., June 24, 1889, and Grace Dexter, March 17, 1891. William grows more like his father in appearance while Grace's resemblance to me increases. Both are now in college. Our eldest daughter, who resembles both of us, was married in the fall of 1903 and her two children, Ruth and Bradfield Bryan, are revealing to us the joys and responsibilities of the grandparent.

On the first day of October, 1901, the seventeenth anniversary of our marriage and the fourteenth anniversary of Mr. Bryan's arrival in Nebraska, we broke sod for a new home nearly four miles from Lincoln, a little south of east. October 1, 1902, found the house ready to occupy, and we celebrated that anniversary in it. The house stands upon a knoll and the place is called "Fairview," because of the beauty of the valley which the house overlooks. Here Mr. Bryan spends the time not occupied in traveling and the family enjoys the advantages of both the country and the city.

To give an estimate of Mr. Bryan's character or of the mental endowments which he may possess would be beyond the scope of this sketch. I have contented myself with the simple narration of such facts as seemed necessary to an understanding of the forty-nine years spanned by his life.

MARY BAIRD BRYAN.

Fairview, Lincoln, Neb., March 1st, 1909.

SPEECHES ON TAXATION AND BIMETALISM

I

THE TARIFF

Delivered in Congress on March 16, 1892, in the discussion of the tariff measures reported by the Ways and Means Committee of which Mr. Bryan was a member. This is known as his first speech in Congress, altho he had previously spoken for five minutes on a minor question. The House was then in Committee of the Whole on the state of the Union, and had under consideration the bill making wool free and reducing the duties on woolen goods.

THE gentleman from Maine [Mr. DINGLEY] put forward to open the debate by our friends who occupy the wedge-shaped space on what used to be called the Republican side, has seen fit to criticize as sporadic the bills so far reported by the committee. He has also found fault with the method which has been adopted.

I desire to say that I am in hearty sympathy with the majority of the committee in its decision to attack the tariff in detail; and I think that the bills which have been reported and the bills to be reported will fully answer the argument of the gentleman that we are making only a slight assault upon the system.

The main reason which has led me to favor this method of attack is, that it is possible that some of the bills reported by the committee may pass the Senate and receive the sanction of the President, and if we can succeed in bringing to the

people of this country relief in any form, even to a small degree, we shall be accomplishing far more for our country, and, as I believe, doing better for our party, than if we simply attempt to make a record by a general bill, with no prospect of its passage.

Another reason: This will enable us to unmask some of the Republicans of the North and West, who have insisted to their people that they believe in reforming the tariff in the interest of the consumers, and that they were anxious to give certain relief, but always shield themselves behind the extended provisions of a general bill. If we are thus able to put those people upon a defense before their constituents, which they are poorly prepared to make, we shall have done something for our country.

The gentleman from Maine [Mr. DINGLEY], however, in that remarkable plea which he made against free wool when he was discharging the self-imposed task of defending the agricultural classes, a spectacle as unexpected as it was absurd, would have you believe that the only cause of his solicitude was the fear that this bill might injure the farmer.

But you who listened to him will remember that the climax was reached when he turned to this side of the House and with the most intense fear depicted upon his features exclaimed that the policy of the committee was to "divide and conquer." He had perhaps read the *Home Market Bulletin*, where Mr. Draper said that "protectionists must stand together or fall separately." He

had perhaps read in that same *Bulletin* that the "wool tariff is the keystone of the protective arch." And we then understood from his manifestations of anxiety that what he feared was not so much that the farmer might be injured as that protection might lose one of its most ardent champions.

That was a confession, Mr. Chairman, that the protective system can not stand upon its merits. It was a confession that they dare not go before the people and defend the tariff upon each article upon the ground that it is right and needed. It was a confession that this system is sustained simply by the cooperation of the beneficiaries of a tariff, and that they are held together by "the cohesive power of plunder." It was a confession that the loss of one defender might endanger the whole system.

If, Mr. Chairman, the fears of the gentleman from Maine are realized, the committee will find in that fact complete justification for its course; renewed hope and encouragement will be given to that large proportion of our people who have felt the burdens of a protective tariff, but have been unable to obtain relief because of the log-rolling of those who stand behind this bulwark.

I desire to call attention first to the bill now under consideration, and then to what is known as the binding-twine bill; which, tho not regularly before the committee, has been referred to by our friends on the other side; and then, if the committee is willing to listen, I should like to go even further and accept the challenge of the gentleman from Maine [Mr. DINGLEY] to discuss the principle of protection. I consider myself for-

tunate that I am permitted to hear protective doctrine from its highest source. Out in Nebraska we are so far away from the beneficiaries of a tariff that the arguments in justification of protection in traveling that long distance become somewhat diluted and often polluted, so that I am glad to be permitted to drink the water fresh from its fountains in Maine and Massachusetts, and I will assure the gentleman [Mr. DINGLEY] that those of us who believe in tariff reform are willing to meet him upon the principle involved, not only here but everywhere.

The bill under consideration provides for admitting free of duty wool and those associated articles which we know as raw material in the woolen industry. It also takes away entirely those specific or compensatory duties which were added to the ad valorem rates to enable the manufacturer to transfer to the back of the consumer the burden which a tariff on raw material places upon the manufacturer. We have also reduced the ad valorem rates, leaving the rates ranging from 25 to 45 per cent., with an average of not quite 40 per cent., less than the Mills bill, whereas the present rates average over 90 per cent. We have left the tariff lowest upon the articles which are cheapest and of most necessary use.

The reason why I believe in putting raw material upon the free list is because any tax imposed upon raw material must at last be taken from the consumer of the manufactured article. You can impose no tax for the benefit of the producer of raw material which does not find its way,

through the various forms of manufactured product, and at last press with accumulated weight upon the person who uses the finished product.

Another reason for believing that raw material should be upon the free list is because that is the only method by which one business can be favored without injury to another. We are not, in that case, imposing a tax for the benefit of the manufacturer, but we are simply saying to the manufacturer: "We will not impose any burden upon you." When we give to the manufacturer free raw material and free machinery, we give to him, I think, all the encouragement which a people acting under a free Government like ours can legitimately give to an industry.

The reduction which we have made in the tariff upon manufactured articles is a great reduction in existing schedules. It is not as great a reduction as might be made. I believe that we have left far more tariff than can be shown to be necessary to provide for any difference, if there be any difference, between the cost of manufacture here and abroad. But I am led to agree to this moderate reduction of the tariff upon manufactured articles for two reasons: first, because, in going from a vicious system—and I believe that our present system is a vicious system, created by the necessities of war and continued by favoritism—because, I say, in going from a vicious to a correct system the most rapid progress can be made by degrees.

Another reason why I am willing to stop at this point at this time is because all measures of legislation must be practical rather than ideal. We are

confronted by a condition. Notwithstanding the attempt of the people to turn out of power those who in the last Congress ran riot, the limitations of our Constitution have prevented us from obtaining control of more than one of the three coordinate branches of the legislative power. Any bill to become a law must pass not only this House but also the Senate, which is hostile, and must receive the approval of a Republican President. Therefore, if we expect success we must leave room for no objection that a Republican can take advantage of as a justification for standing in the way of this relief. And I believe in this bill we have done that; there is no objection that the Republican party can stand upon in opposition to this bill and upon which they dare to go before the country.

I desire to call attention, Mr. Chairman, to the advantage which this bill brings to the people of this country. We are not prepared to say, nobody can affirm positively, what effect the present tariff on wool has upon the wool-grower. I read in the address of Judge Lawrence, before the Ohio Wool-Growers' Association, that in his opinion the man in this country who raises sheep receives for his wool the foreign price of wool plus the duty upon wool. But there are many who differ with him. Many sheep-raisers believe that the farmer does not receive the tariff duty upon wool which is imposed ostensibly for his benefit, and they point to the decline in the number of sheep and in the price of wool under protection.

I care not, for the sake of the argument, which position is true. One of three conditions must exist

at this time. We have imposed a tariff upon wool; we have given a compensatory duty, which is equivalent to that tariff, upon wool in all its manufactured forms. The manufacturer of wool must, if he buys foreign wool, pay this duty. Now, if the farmer gets no increased price for his wool because of protection, and the manufacturer deals honestly with the people and does not charge them anything extra, then the removal of this duty will still bring relief to the consumers of woolen goods by reducing the price of imported wool without affecting the price of the farmer's home-grown wool. This is the first condition which may exist.

It is also possible that the manufacturer in this country, having the advantage of the compensatory duties, does charge up to the people who buy woolen goods the amount of the tariff as if he paid it to the farmer, and yet he may not pay it to the farmer. In that case the passage of this bill will still more largely reduce the cost of goods to the consumer and not affect the farmer who raises sheep.

There may be a third condition. It may be that the manufacturer of woolen goods pays the duty upon imported wool and pays a like amount on home-grown wool and then charges to the consumer just exactly, under the compensatory duties, the amount which he has had to pay as a tariff upon foreign wool and as an additional price upon the home-grown wool. If that condition exists, then the operation of this bill will be to bring to the people of this country who consume woolen goods the reduction made by the bill and to prevent the grower of wool from collecting from the consumer

of woolen goods, through his agent the manufacturer, the amount which he has been receiving.

Now, those are the three conditions, one of which must exist. I do not care, my friends, for the sake of the argument, which condition exists. I am in favor of this bill. I am in favor of it, in the first place, because it makes a reduction in ad valorem rates; and in addition thereto, if the first condition supposed exists, reduces the price of woolen goods to the extent of the tariff paid on imported wool. This is only just, because such necessary articles as woolen goods should not be made so expensive as they are to the great masses of our people.

If the second condition exists, and the manufacturer is charging up against us as consumers that which he does not pay, I am still in favor of the bill, and in favor of taking away from him this unjust and unfair advantage.

If the third condition exists, and the manufacturer collects from us simply what he pays to the farmer who raises sheep, I am still in favor of this bill, because I do not believe we should make a manufacturer or any one else an agent to collect money from one man and pay it into the pocket of another man. So you can take any of these conditions you like, and you can frame any defense you please, but I am in favor of this bill from any standpoint and on any condition.

But there is another phase of this question, Mr. Chairman. The amount of wool produced in this country is about 4½ pounds per capita; the amount of wool consumed is about 6½ pounds per

capita. Therefore we consume about 50 per cent. more than we produce. Hence, if whatever benefit there is from a tariff on wool is equally divided among all the people, then the abolition of this compensatory duty, not to speak of the reduction in ad valorem rates, brings to the people of the country about 50 per cent. more of advantage than it can possibly take away from them.

I find that in the States east of the Mississippi River we have now about one-half the number of sheep that we had when protection took the wool industry of the country into its encouraging embrace. I find but two States, Michigan and Ohio, which have one sheep per capita. The average production is about 6 pounds per sheep. Therefore, in a State that has one sheep per capita the people of the State would get just as much relief from this bill as they could possibly lose because of the repeal of the tariff duties on wool. Maine has a little less than one sheep per capita, and therefore she would receive more advantage by a reduction of the duty than she could possibly lose. The States of New York, Pennsylvania, Illinois, and Nebraska—and you can take others for yourself and make the computation; I simply mention these for illustration—these four States produce less than 1½ pounds of wool per capita, and they consume 6½ pounds per capita. So, Mr. Chairman, to the people of these States this bill brings more than four times as much in the way of advantage as it can possibly take away from them.

But I have gone on the theory, Mr. Chairman,

that this advantage, whatever it is to the wool-grower, is equally divided among the people of the State. I find in the report of the Wool-Growers' Association for the State of Ohio, held at Columbus some two months ago, a statement that there are 80,000 flockmasters in Ohio. I find that in Ohio there are about 4,000,000 people. Hence there is about one flockmaster to 50 persons. It is fair to assume that in computing this number, it being for political purposes and to influence legislation, all the sheep-raisers in Ohio, both heads of families and sons old enough to vote, were probably counted. But supposing every one to be the head of a family, it means that one head of a family in Ohio out of ten raises sheep, and I suppose that the proportion is fully as great in Ohio as anywhere.

Now, if that calculation be true, what does it mean? It means that all over this country, irrespective of their State or locality, ten times as many people are benefited by this bill as are by any possibility injured. Is not that some advantage?

The gentleman from Maine [Mr. DINGLEY] said that I would not dare to take this bill to my State. I will not be afraid to take it to my State, nor will I be afraid to take any bill that is passed by this House; but I certainly would not hesitate to take a measure of this kind, when I say to you, my friend, that this bill brings to the people of the State of Nebraska, to the people of New York, to the people of Pennsylvania, to the people of Kansas, to the people of this entire country,

immeasurably more advantage than it can possibly deprive them of, and it brings the advantage to ten times as many people as are injuriously affected by it.

Our friends have said that this is class legislation. That is, that when we say we shall deprive the wool-grower of any advantage he has under the present law we are guilty of class legislation. It is sufficient evidence, Mr. Chairman, that this bill does not advance class legislation that the Republican party is solidly opposing it. If it were class legislation we could reasonably expect their united support.

But, sir, I desire to call the attention of the Committee to this distinction. We have referred to it in the report of the committee on binding twine. There is a difference between a man coming to this Congress and demanding that other people shall be subjected to a tax for his benefit and a demand on the part of those taxed to be relieved of the burden. Is there not a difference between these two principles? It seems to me that the difference is as marked as between day and night. It is simply this difference, sir: The man who says, "Impose upon somebody else a tax for my benefit," says what the pickpocket says, "Let me get my hand into his pocket"; but the man who says, "Take away the burdens imposed on me for other people's benefit," says simply what every honest man says, "Let me alone to enjoy the results of my toil." I repeat, is there not a difference between these two principles?

But, Mr. Chairman, upon what ground is this

protection to the wool-grower asked? Is it because of the importance of the industry? The gentleman from Maine [Mr. DINGLEY] said that it was one of the most universal of all the industries of the farm; and when I tried to call his attention to the fact that only a small proportion of our people own sheep, he did not care to be further interrupted. The fact is, Mr. Chairman, that last year the value of sheep in this country was only $108,391,444, while the value of live stock upon the farm was $2,329,787,770; that is, the value of sheep was less than one-twentieth the value of all the live stock.

The wool crop last year was valued at about $70,000,000, while the value of the corn, wheat, and oats raised that year, without mentioning the other crops of the farm, amounted to $1,582,184,206. Three items of the farm amounted to twenty times the value of the wool clip. Out in Nebraska there was a time when we had almost one sheep for each man, woman, and child. We look back to it as the "mutton age" of Nebraska. But, alas, that happy day has passed! The number of sheep has continually decreased, until now, if every woman in the State named Mary insisted upon having a pet lamb at the same time, we would have to go out of the State to get lambs enough to go round.

No; it is not because of the importance of the industry, nor is it because it is an infant industry. You may go back into history, sacred or profane, as far as tradition runs, and you will find a record of the sheep. Homer tells how Ulysses escaped from the cave of the Cyclops by means of a sheep.

We read in the Bible that when Isaac was about to be offered up, away back in the patriarchal days, a ram was found caught by the horns in a thicket, and offered in his stead; and further back than that, in the fourth chapter of Genesis, I think in the second verse—my Republican friends, of course, will remember—it is recorded of the second son of the first earthly pair, "Abel was a keeper of sheep." And from that day to this—

MR. SIMPSON. I want to ask the gentleman if we are to understand that this is the sacrifice you are offering up on the altar of protection.

MR. BRYAN. No, sir; we are only beginning an attack, which will be continued just as long as there is anything to remedy. But I was going to say, Mr. Chairman, that from that day to this the sheep has been the constant companion of man in all his travels, and it has differed from its modern owner perhaps the most in that it is recognized as the symbol of meekness.

Mr. Chairman, in the earlier days, when protection was defended from more patriotic motives, if I may so assert, than to-day, the main excuse given was that we needed the tariff to help infant industries to get upon their feet. I want to call the attention of the Republicans to the language of one or two of the early fathers upon the subject. Alexander Hamilton, in his report on manufactures in 1791, said:

"The continuance of bounties on manufactures long established must always be of questionable policy because a presumption would arise in every such case that there were natural and inherent impediments to success."

That was the original idea. Mr. Clay said in 1833:

"The theory of protection supposes too that after a certain time the protected arts will have acquired such strength and perfection as will enable them subsequently, unaided, to stand against foreign competition."

And again in 1840:

"No one, Mr. President, in the commencement of the protective policy, ever supposed that it was to be perpetual."

This was the argument used in the beginning; but arguments have to be framed to meet conditions, and we find now that infants that could get along on 10 per cent. when they were born, and 20 per cent. when they were children, and 30 per cent. when they were young men, have required 40, 50, 60, or 70 per cent. when old and entering upon their second childhood.

Therefore they had to frame new arguments. What is the argument advanced now? It is that the conditions in this country are such that we can not compete with other countries, and that therefore we must put upon the imported article a tariff making the price so high that we can afford to produce the article in this country. Do they say that they need a protective tariff to help the sheep industry get upon its feet? Not at all. Mr. Lawrence in his speech said in regard to the impossibility of competing:

"And these are the existing conditions. In Australia merino wool can be and is produced at a less cost than it can be in the United States, because (1) pasturage can be had there for a few cents an acre, and (2) the climate there is such that substantially no winter feeding is required. The same is true of South America."

We are even assured by the same high authority that "wool-growers should at the first practical moment demand gradually annually increasing duties on all classes of wools just as our increasing flocks can supply increasing demands." A modest demand! They offer no hope of reduction. In discussing protection our friends are in the habit of claiming everything possible. Why, the gentleman from Maine [Mr. DINGLEY] stated to us seriously that the tariff on wool had made more pounds of wool grow on a sheep's back.

That is in the RECORD, that protection is responsible for the fact that the sheep to-day produce more wool than they used to. I have often thought how perplexed the sheep must have been after the passage of the last bill when they got together and consulted among themselves as to how they were going to increase the amount of their wool now that the tariff had made it necessary. But nobody, Mr. Chairman, has said to this House that protection would reduce the price of pasturage in this country, nor has anybody claimed that it would so moderate the climate as to do away with the necessity for winter feeding. The theory, Mr. Chairman, upon which this is justified might as well be met here as anywhere; and I want to state, as emphatically as words can state it, that I consider it as false in economy and vicious in policy to attempt to raise at a high price in this country that which we can purchase abroad at a low price in exchange for the products of our toil.

It was said by a gentleman who appeared before the committee—I think at the last Congress—that

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wool could be raised in Australia for 6 cents a pound, and that it could not be raised in this country for less than 15 cents; and we are told that it is a wise policy to so tax imported wool as to enable our people to raise wool at 15 cents a pound instead of buying it at 6 cents a pound; that we save money and give employment to labor. If that principle is true, then it is wise to raise wool at 15 cents a pound instead of buying at 3 cents, because we save more in labor. If it is wise to raise it at 15 cents a pound instead of buying it at 3, it is still wiser to raise it at 15 cents rather than have somebody give it to us.

That is what it leads to; and the gentlemen who maintain that position are fit companions for the people who are supposed by Bastiat to have petitioned the French legislature to find some way of preventing the sun from shining, because it interfered with the business of the candle-makers. If their theory is true, then the most unkind act of the Creator was to send that great orb of day every morning to chase away the shadows of the night, flood all the earth with his brightness, and throw out of employment those who otherwise might be making tallow candles to light the world.

It was said by a French writer that Robinson Crusoe was a protectionist; that when he was on the island all alone he started to make a canoe by hollowing out a log with a broken stone. Just about the time he commenced, some boards floated up to the shore, and the thought came to him, "I will take these boards and make myself a canoe out of them;" but the protective idea came to

him, and he said, "No; if I do that I will lose the labor I put into the log." So he kicked the boards away from the shore, and went on hacking at the log with the broken stone. A little later, when he and Friday were together, they spent four hours in the morning gathering fruit, and four hours in the afternoon catching game. Some one came up from another island and said, "On our island we have lots of game but no fruit; we will bring you all the game you can catch in four hours for the fruit you can gather in two hours." "Let us do it," said Friday. "Oh, no," says Crusoe, "if we do that, what will we do with the other two hours of labor?"

And that is the theory of our friends. When we buy something, we buy with the results of our toil; and they tell us that we must not so arrange the laws of this country that we can buy a great deal, but that we must so arrange them as to make us work just as long as possible upon every piece of work we undertake. It is the old theory, "the maximum of toil and minimum of product." If this is the true principle, then discard your riding cultivators, go back to the crooked stick, and let us plow in such a way that all the people of this country can find employment in plowing alone.

I, therefore, Mr. Chairman, denounce as fallacious, as unworthy of consideration, the only reason that can be given in support of the tariff on wool, as a protective tariff and for protective purposes.

I desire now, Mr. Chairman, to call the attention of this committee to another bill, known as the "binding-twine bill." This bill places upon the

free list the various kinds of binding-twine. The majority and minority of the committee agree upon some of the facts. We agree that there were consumed in this country last year about 100,000,000 pounds of binding-twine. We agree that if a tariff of seven-tenths of 1 per cent. is added to the price of the binding-twine it costs the people of this country $700,000 because of that tariff.

We agree also that no twine was imported and that no revenue was received by the Government from this source. Therefore, if this was a tax upon the consumer, it was a tax of $700,000 taken out of the people's pocket, not one cent of which reached the Treasury. According to the Republican idea, that is an ideal tariff; it embraces the maximum of burden with the minimum of revenue. Follow out that principle, arrange your schedules upon that plan, and there will not be a dollar derived for the support of government from a tariff upon imports, because you will have no imports, and you must find some other source of revenue. I want to ask the gentlemen who represent the minority if they are in favor of applying this principle to the other schedules; if they are in favor of so adjusting the tariff as to prevent imports and yet enable the protected manufacturer here to take the money out of the people's pockets?

I desire to call attention briefly to what this principle involves. It is supposed that a tariff is levied because we need revenue. I heard the gentleman who led the majority in the last Congress in the tariff discussion, Mr. McKinley, in a speech which he made at Ottumwa, Iowa, say that were it

not for the necessity for revenue there would be no justification for a tariff upon imports. Therefore, the idea is that you levy the tariff to collect revenue to support your Government.

Now, how ought it to be done? Suppose you should apply this principle in collecting the taxes for your counties and your towns. It is estimated that on an average for every dollar brought into the Treasury by import duties $4 go into the pockets of the protected manufacturers. What does that mean? It means that 80 per cent. of the taxes paid by the people for the support of the General Government because of import duties goes to the protected interests, and only 20 per cent. goes into the public Treasury, 80 per cent. being absorbed in collecting the tax. Try that in your counties.

How many of your counties would permit the collection, by direct taxation, of $100,000 in taxes when only $20,000 were needed for revenue? How many of you would pay $80,000 to some man to collect the $20,000 that you wanted to use? And yet, Mr. Chairman, according to the principle involved in this particular item, we pay not 80, but 100 per cent. for collection! Seven hundred thousand dollars are collected from the people in this case if it is a tax, not one cent of which gets into the Treasury. Are the gentlemen who represent the minority going to justify that? I am anxious to hear upon what principle that can be defended. But the minority say:

"So that, if this assumption were true, the entire additional cost would only amount to 1 cent per acre, or less

than 1 mill per bushel of grain, and yet the saving of this trifling sum is the excuse given by the majority," etc.

We had a report from one of the manufacturers of binding-twine that there are thirty-five binding-twine factories in the United States (there are possibly a few more). If that is true, then $700,000 a year means $20,000 to every one of these binding-twine factories. Is that a trifling consideration? It is trifling to the farmer to be taxed 1 cent an acre, but it is a matter of some importance (which the minority seems to think of more consideration) that it means $20,000 a year to every binding-twine manufacturer in this country. This tax is a small matter, Mr. Chairman; 1 cent an acre is trivial; the total sum is not great; but if you concede the right of Government to collect from the farmer 1 cent an acre in order that a binding-twine factory may make $20,000 a year more, you concede the right of Government to collect from that farmer 1 cent an acre on each of two hundred additional items for the "protection" of other industries, until you have absorbed every cent of his income from his farm. They told us the other day that there are twenty-five hundred articles upon the tariff list.

Now, if there are twenty-five hundred articles upon that list, and you can take one at a time and deal with it upon this principle, imposing a tax of 1 cent an acre upon the farmer for each article, then you can impose an aggregate tax of $25 an acre upon the farmer for the benefit of somebody else. This binding-twine tax is a trifling consideration, but the farmers of this country who have been oppressed, who have been made to bleed at every

pore by your infamous system, will welcome even a trivial advantage as an earnest of that complete relief which will come when it is in our power to give it.

But, Mr. Chairman, I desire to call attention now to two inconsistent sentences that lie side by side in the report of the minority. I do not, however, call attention to them because inconsistent sentences are at all rare in arguments in defense of protection; in any hour's speech in defense of a protective tariff you will find such contradictions standing face to face. But I call attention to these inconsistencies for the purpose merely of showing the confusion into which those are led who attempt to prove that you can benefit one man by legislation without taking something from somebody else. Here is the first sentence:

"It is evident, however, from the report of the Bureau of Statistics, that nothing has been added to the price during the past year on account of this duty."

And here is the next sentence:

"It is also evident from the circular of the Belfast Rope Company, Limited, that to remove the tariff is to transfer the entire industry to other countries."

Here are two estranged products of one mental effort yearning for reconciliation. Now, if the first statement is true, that no part of this duty was added to the price, then how is the last part true that the removal of the duty is going to transfer all this industry to some other country? There can be no reconciliation of those propositions, because the only way in which you can drive out the manufacturing industry from this country is to so

reduce the price of the article competing from abroad that manufacturers in this country cannot afford to make it; and if you say that the tariff was not added to the price, you say that the price was just as low as without the tariff; and when you say that the price was just as low with the tariff as without the tariff, then you say it makes no difference to the manufacturer in this country whether he has a tariff or not.

But I want to call attention to the alarm on the part of the minority of the committee.

"It is also evident from the circular of the Belfast Rope Company, Limited——"

There was a circular sent by some twine-manufacturing establishment to the Bureau of Statistics and by it sent to us in the committee room; and this circular offering to sell twine is made the excuse in this minority report for retaining a tax of $700,000 on the farmers of this country. I suppose that if some other man had sent a circular—if we had two circulars instead of one—the minority of the committee would have wanted to double the tariff and to collect $1,400,000 from the farmers. This shows how readily they become alarmed when the interests of a manufacturer are at stake, and how slow they are to become alarmed when the interests of the great consuming masses of this country are at stake.

Another thing. In this report they say—

"If it is true, as stated in a report of the majority, that the Senate in 1890 voted to place this article on the free list——"

"If it is true?" They will not believe the records of Congress. If it is true! Then they say:

—it was induced largely by the assumption that the price was then regulated by a trust and combination formed with a view to force up the price; but this condition of affairs which was then proven never to have existed is certainly impossible under present competition.

They tell you that the vote in the Senate was taken upon a false assumption—the assumption of a condition which did not then exist and which is impossible—and yet the minority of this committee have in their possession a letter of Edwin H. Fitler & Co., saying that twenty-nine out of thirty-five of these factories are controlled by the National Cordage Company, and that this company controls 60 per cent. of the total output. Yet in spite of the fact that they know of the company, its name and location, and the number of factories which it controls, they tell you in this report that that vote was taken upon a supposed condition which not only did not exist but cannot exist. And then to add to their inconsistency, after telling you that the competition in this country is such that no combination can exist (in spite of the actual fact that it does exist) they tell you a little further on that they are not willing to destroy the competition of the American manufacturer and leave the farmer entirely at the mercy of the foreign producer and importer. In other words, it is impossible for the manufacturers of this country to combine, but just take off the tariff and all the factories in the world will combine against the poor farmer of the United States.

Again, they state that if we take the tariff off, the importer will charge his per cent. and the farmer will not get his binding-twine any cheaper

than he did before. At what straws a drowning man will catch! Why, Mr. Chairman, if it is true that the amount charged by the importer will offset the tariff, then what becomes of all this gloomy prediction that this industry is going to be destroyed in our country and transferred to foreign countries? If the importer charges an amount equal to the tariff, then the farmer will not get his twine any cheaper; and if he will not get his twine any cheaper, these men can sell at the same price, can they not? And how are they going to be run out of the market?

Now, Mr. Chairman, there is another thing to be said in regard to binding-twine. Complaint is made here in the last part of this minority report that the effect of the bill will be to admit free a class of jute yarns and twine in an advanced state of manufacture and to disarrange the entire manufacture of jute goods in this country.

(Here the hammer fell.)

Mr. Burrows. Mr. Chairman, I ask unanimous consent that the gentleman from Nebraska may have such additional time as he may require to conclude his remarks.

The Chairman (Mr. Ellis). Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. Bryan. Mr. Chairman, I am obliged to my colleague upon the committee for his kindness and to the committee for its courtesy.

I was, when interrupted, about to call the attention of the members present to the fact that this

bill puts on the free list those kinds of twine which are made in whole or in part from raw material already upon the free list. There is an apparent exception in the case of jute. Jute and jute butts are already on the free list; but what is known as jute yarn is subjected to a tariff under the present law, and the objection made to this clause in the bill is that what is known as jute yarn used in other industries may come in free as twine and disarrange the whole business in this country. I have simply this to say: we remove the duty from *binding-twine* made of jute and these other materials. If jute yarn *can be used for binding-twine*, we want it to come in free. If it is *not* binding-twine, it does not come in free under this law, and we can safely trust the authorities to prevent something coming in as binding-twine which is not binding-twine.

MR. LIND. Will the gentleman yield for a question?

MR. BRYAN. Very gladly.

MR. LIND. I notice that the report brought into this House by the gentleman from Georgia [Mr. TURNER], a member of your committee, the machinery used in the manufacture of cotton-bagging is put on the free list. Cotton-bagging, as I understand it, is made from substantially the same material as binding-twine. Now, I should like the gentleman from Nebraska to state to the committee why you put the machinery for the manufacture of cotton-bagging on the free list and not the machinery for the manufacture of binding-twine?

MR. BRYAN. That is a fair question and I am

glad to answer it, as I shall be glad to answer any question that may be proposed in good faith by any of the gentlemen, friends on this side of the House or the other.

There is this difference: There is no doubt that the manufacture of binding-twine under present conditions can be conducted in this country as cheaply as in any other country in the world, and that this tariff of seven-tenths of one cent per pound is absolutely unnecessary to protect the industry.

There could be, therefore, no injury inflicted upon the manufacturers by not putting the machinery for making the binding-twine on the free list. I will say this, that speaking for myself, I shall be glad to put on the free list, not only the machinery for manufacturing binding-twine, but for manufacturing all things, for I believe it a legitimate advantage that can be given to industries in all parts of the country. I was glad when the last Congress put on the free list the machinery used in the manufacture of beet sugar. My only criticism was that they did not make it broad enough to include not only the machinery used in the manufacture of beet sugar, but that used in the manufacture of all other kinds of sugar.

Now, Mr. Chairman——

Mr. Lind. If the gentleman will pardon me for another interruption, that does not answer my specific question. Here you put a manufactured article, specifically named, on the free list. Why not put the machinery for manufacturing that specific article also on the free list, so as to give the

domestic producer at least an equal show with the foreign producer?

Now, I am not discussing or rather inquiring into the gentleman's general ideas here on this subject, but in regard to this specific article I ask why that exception is made.

MR. BRYAN. I will say this to the gentleman. That it was the object of the committee, in presenting separate bills, to as far as possible confine the discussion to these bills and to the items they embody; and if we had attempted to put on the free list the machinery by which this material now under consideration is made (I have stated that the manufacturers can compete without this advantage), then there would have been men owning machinery who would have come and complained that we ought also to put on the free list pig iron, iron ore, and other articles.

MR. LIND. But do not the manufacturers of machinery for making cotton-bagging complain?

MR. BRYAN. I do not know, but I will say this in regard to machinery for the manufacture of cotton-bagging, that it is very simple machinery, and is about all imported anyway. That is my understanding at least. But the gentleman will see that if we should attempt to embrace in this bill everything that can be related to it we could not confine the subject to binding-twine and we would soon find some of the associates of my friend telling the people of Minnesota and Iowa that they were much in favor of this feature or that feature of the bill, but they could not vote for it altogether. Now, we want them to go on record on individual proposi-

tions, and condemn them or support them as they see fit.

MR. LIND. And stultify ourselves.

MR. BRYAN. Well, you can do just as you please about that. But if the present system were framed with an eye to justice, entire justice, there might be some reason in opposing any change that was not entirely just in all its details and relations. But when you have a system conceived in greed and fashioned in iniquity I do not think that the question of justice can be brought in when you revise it. That is, reform is not to be delayed until exact justice can be rendered.

MR. MCKENNA. Will the gentleman allow me to ask him a question?

MR. BRYAN. Certainly.

MR. MCKENNA. Do you really believe that the protective policy is similar to the pickpocket's policy of putting a man's hand into another man's pocket and extracting money from it?

MR. BRYAN. Yes, that is my belief.

MR. MCKENNA. Now, then, one other question. You can answer it all together. If that is so, how do you justify your position, not in economics, but in morality, for reporting a bill which leaves 39 per cent. taxes on woolen clothing?

MR. BRYAN. Mr. Chairman, if I found a robber in my house who had taken all I had, and I was going to lose it all or else get one-half back, I would take the half. I will ask the gentleman from California whether he would refuse to give the people any relief because he could not give all that he wanted to give?

MR. MCKENNA. No.

MR. BRYAN. Then we agree.

MR. MCKENNA. No, we do not. If I was in a position of power, being a member of the Committee on Ways and Means, and believed that my vote would relieve this country from a system of policy which was simply a system of pickpocketing, I would never consent to vote for a bill in that way.

MR. BRYAN. In that respect the gentleman from California and the gentleman from Nebraska do not think alike.

MR. MCKENNA. And in some other respects also.

MR. BRYAN. I am willing to take the best method that is possible, to obtain relief just as far as possible, and I will not insist upon getting it all before I consent to take any.

Now, Mr. Chairman, I desire to call attention to a letter which I received to-day from the Bureau of Statistics. It may assist in understanding whether there is any trust in this country or not. We addressed a communication to the Bureau of Statistics for information upon the subject. We received a number of letters, and to-day I was handed two other letters which have just been received, one from the National Cordage Company and one from Edward H. Fitler & Co. I want to call attention to one sentence in the letter from the National Cordage Company:

"The National Cordage Company, erroneously termed the trust, has the power of legislating for some forty of these mills."

Now, those who believe that a trust is a "private affair," into which we should not inquire, might

regard it as all right; but those who are accustomed to the use of the English language can not read that statement, that this company has the legislating for forty mills, and then deny that there is any combination.

The Fitler Company write:

"We would think that the average price obtained by the manufacturer would be slightly higher than last year, when we had 20,000 tons carried over from 1890 which the large crop of 1891 consumed."

Now, there is the promise of a man outside of the National Cordage Company that the chances are that the farmer will pay a little more for his binding-twine this year than last year, and the papers of the last few days have contained items to the effect that the advance in price has already been agreed upon; agreed upon, I presume, with a confident expectation that a Republican Senate will not permit the people, voting through their Representatives in Congress, to bring relief from this tax. But enough on that subject.

Mr. TURNER. Does my friend from Nebraska remember that that body agreed during the last Congress to make binding-twine free?

Mr. BRYAN. I do remember it, and our report on that bill so states; and yet the minority of this committee say that it was induced by a misunderstanding, and we have been given to understand by high authority that they will not allow any bills of a tariff reform nature to pass the Senate. My hope is—it is simply a hope—that when these bills go before that body their consciences will rise superior to their partizanship.

Mr. CLOVER. Vain hope!

Mr. BRYAN. It may be a vain hope, but it is the only hope we have until the people, speaking at the polls, carry still further the reform that was begun in 1890.

But now, Mr. Chairman, I desire to call attention to the principle of protection.

As I said in the beginning, we were invited by the gentleman from Maine [Mr. DINGLEY] to discuss it; and if I gather anything from the remarks that I hear on this side of the House, and from what has already been said, there will be no hesitation in accepting the invitation. Let us go back to the foundation of the principle. What is the object of a protective tariff? There are two kinds of tariff; a tariff for revenue and a tariff for protection. In our platform of 1876, that upon which Mr. Tilden was nominated and elected, we declared, "we demand that all custom-house taxation shall be only for revenue." That is the platform upon which the party stood then. That I believe is the principle of the Democratic party to-day; and that we will approach just as rapidly as we can. Then there is a tariff for protection. That is the only tariff of which we complain.

I am not objecting to a tariff for revenue. If it were possible to arrange a system just as I believe it ought to be arranged, I would collect one part of our revenues for the support of the Federal Government from internal taxes on whisky and tobacco. These are luxuries and may well be taxed. I would collect another part from a tariff levied upon imported articles, with raw material on the free list—

the lowest duties upon the necessaries of life and the highest duties upon the luxuries of life. And then I should collect another part of the revenues from a graduated income tax upon the wealth of this country. It is conceded by all writers that a tariff upon imports operates most oppressively upon the poor. A graduated income tax would fall most heavily upon the rich, and thus the two would partially compensate each other and lessen the injustice that might come from either one alone. That, I say, would be my idea, if it were possible.

But I am not complaining at this time of a revenue tariff. What I denounce is a protective tariff, levied purely and solely for the purpose of protection. It is false economy and the most vicious political principle that has ever cursed this country.

MR. RAINES. Will the gentleman allow me to ask him a question?

MR. BRYAN. Certainly.

MR. RAINES. I want to know if the gentleman does not remember that in the Democratic platform of 1876 they expressly said that it was for the protection of American industries, a tariff for revenue, and to promote industry?

MR. BRYAN. There is a question, Mr. Chairman, when you come to consider the details of a revenue tariff, as to just how it ought to be laid. I do not remember the exact language of that platform upon that question; but I do believe, as I say, and I am ready to stand by it anywhere, that a protective tariff levied, not to raise revenue, but to protect some particular industry, is wrong in principle and vicious in practise.

Now, what is a protective tariff, and what does it mean? It is a simple device by which one man is authorized to collect money from his fellow men. There are two ways in which you can protect an industry. You can give it a bounty out of the Federal Treasury, or you can authorize it to take up the collection itself. This is the only difference. Suppose that the Chairman desired to help some particular industry—for instance, one in the home of my friend from New York [Mr. RAINES], who has asked the question. He might do it in either of two ways. He might pass around the hat here and collect the money and turn it over to the favored industry, or he might simply say to the man, "I will put a tariff upon the imported article and make the price so high that you can collect the additional price for your home-made article."

Now, what is the difference except that in the one case the Chairman passes around the hat and turns the money over to his friend, and in the other case he authorizes the friend to pass the hat himself.

MR. PERKINS. May I ask the gentleman one question to clear up a matter in my own mind?

MR. BRYAN. Certainly; I will be very glad to answer if it will clear my friend's mind.

MR. PERKINS. Are you to be understood as opposed to a State or national protection to be extended to the beet-sugar industry?

MR. BRYAN. I am, most assuredly. And when it is necessary to come down to Congress and ask for a protection or a bounty for an industry in my own State which I would refuse as wrong to an industry in another State, I shall cease to represent

Nebraska in Congress. The difference between a protective tariff and a bounty is simply a difference of form.

In the one case it is open and visible, and in the other it is secret and hidden. There is the difference between a bounty and a protective tariff that the Bible describes when it speaks of the "Destruction that wasteth at noon-day, and the pestilence that walketh in darkness." It is the difference between the man who meets you upon the highway, knocks you down and takes what you have, and the man who steals into your house in the night while you are asleep and robs you of your treasures; and if I had to make choice between the two I would consider the highway robber the more honorable, because he does what he does openly and before the world.

MR. CATCHINGS. And he incurs some little personal danger.

MR. BRYAN. Yes, he also incurs some little personal danger. The great advantage of a protective tariff over a bounty is that it is not seen, and, as some one has said, its greatest justification is that by means of it you "can get the most feathers off the goose with the least squawking."

Just a word, Mr. Chairman, on the subject called up by my friend from Iowa [Mr. PERKINS]. I stated that I was not in favor of the sugar bounty. I was opposed to its being given in my own State; was in favor of its being repealed in my own State; and when the representative of those industries was here the other day I told him that he could rely upon me to vote for the repeal of the bounty on

sugar at every stage in committee or House. And in taking that position, Mr. Chairman, I believe that I represent the great mass of the people, who cannot come to this Congress and lobby bills through in behalf of private interests, who cannot get together and petition us, but whose only petitions fall into the ballot-box when they vote, and, so help me God, I will be guided by those petitions just as long as I hold this office. When that bounty was put on, it was opposed in this House as unconstitutional.

I will read at this point from a decision of the United States Supreme Court, 20 Wall., 657:

"To lay with one hand the power of the Government on the property of the citizen, and with the other to bestow it upon favored individuals to aid private enterprises and build up private fortunes, is none the less a robbery because it is done under the forms of law and is called a taxation. This is not legislation. It is a decree under legislative forms.

"If it be said that a benefit results to the local public of a town by establishing manufactures, the same may be said of any other business or pursuit which employs capital or labor. The merchant, the mechanic, the innkeeper, the banker, the builder, the steamboat owner, are equally promoters of the public good, and equally deserving the aid of the citizens by forced contributions. No line can be drawn in favor of the manufacturer which would not open the coffers of the public Treasury to the importunities of two-thirds of the business men of the city or town."

Now I desire to ask my friend from Iowa [Mr. PERKINS], does the Supreme Court state the truth, or are you in favor of a bounty on sugar?

MR. PERKINS. If the gentleman desires an answer I will give it. I do not live in Nebraska; I had no part in the legislation of that State placing a bounty on sugar. I do know, however, that in the

State of Nebraska and in the State of Iowa this "highway robbery" principle which the gentleman denounces is largely observed and applied in all our communities.

MR. BRYAN. Mr. Chairman, I hope the gentleman will confine that statement to the district which he represents, and not extend it to our State.

MR. PERKINS. I say, Mr. Chairman, that that is true in the city of Lincoln, and in the city of Omaha, as well in the city of Sioux City. I know that those communities are always glad and anxious to improve every opportunity to give a bounty to get a material industry into their midst. It is upon that principle that that great Western country has been built up and developed as it has been, and we apply the same principle in the Government of this great country.

MR. HARRIES. Will the gentleman answer a question?

MR. PERKINS. I am not speaking in my own time.

MR. BRYAN. You are welcome to all the time you want if you will talk in that way.

MR. PERKINS. I have answered your question.

MR. BRYAN. But the gentleman has not presented an illustration of the principle for which he contends. I want him to point to an instance where the city of Sioux City, or the city of Lincoln, or any other city, has voted money raised by taxation to aid a private enterprise.

MR. PERKINS. I can say for my own city that we voted a tax to build railroad machine shops there on account of the labor and money that they would bring into the community, and we did it not as a

benefit to the railroad company but as a benefit to Sioux City. There is one illustration, and I can give more.

MR. BRYAN. If the gentleman will read the decision of the Supreme Court which I have cited he will find that the court in discussing that question says that in every instance where a vote of bonds to aid a railroad company has been justified it has been justified upon the ground that a railroad is a public and not a private improvement. And, so far as I know, there is no instance on record where the courts of any State in the United States have declared a bonus given to a purely private industry to be constitutional and legitimate.

MR. PERKINS. Take the matter of the beet-sugar industry. The gentleman knows that communities in Nebraska have given aid for the establishment of factories for that industry.

MR. BRYAN. I will state to the gentleman that that was attempted in the case that came to the supreme court of our State from Neligh. I had the honor to be one of the attorneys in the case and filed a brief against the bonds. The court held that the bonds voted were illegal.

MR. HARRIES. I was going to ask my friend, the gentleman from Iowa [Mr. PERKINS], a question; perhaps the gentleman from Nebraska can answer it. Do you think it will make the trees grow to give a bounty upon maple sugar?

MR. BRYAN. I do not know, but I suppose it is perfectly in harmony with the "infant industry" plan that was presented in the McKinley bill and

previous bills. They protect the "infant industry" of boring holes into trees.

On this question, I wish to say, Mr. Chairman, that the policy of the Democratic party is not hostility to industries. We welcome to this country every industry that can stand upon its feet; but we do not welcome the industries that come to ride upon our backs. We do not desire to discourage industries; we desire to restore to them the "lost art" of self-support. We are not objecting to "infant industries;" but what we do say is that the public Treasury shall no longer stand sponsor by the cradle of every "infant industry" born upon American soil.

But, Mr. Chairman, to resume. I have said that the purpose of the protective tariff is to transfer money from one man's pocket to another man's pocket. I want to show to you and to this committee that it is the only purpose a protective tariff can possibly have. Why do you impose a tariff? You impose it upon the theory that you cannot produce in this country the article which you protect as cheaply as it can be produced abroad; and you put the tariff upon that article in order that the price of the article may be so much increased that American manufacturers can afford to produce it. You mean that the man who buys that article shall pay into the public Treasury the tariff upon the article, and you expect that this, together with the price, will be sufficient to protect somebody else.

Is not that the purpose? If not, why did the gentleman from Maine [Mr. BOUTELLE] ask to have the tariff taken off of building material when Eastport,

Me., was burned, or why give to the shipbuilders of Maine free building material, as suggested by the gentleman from Georgia [Mr. TURNER]? How do you protect the wool-grower except on the theory that foreign wool is made higher? But why do you make a man pay more for the foreign article? It is in order that your protected manufacturer may charge more for his product than he could charge without the tariff. That is the only justification; because if you say that you cannot produce the article as cheaply in this country as it is produced abroad, what benefit is it to you to have the outside article increased in price if you do not increase the price of the home-made article also?

The gentleman from Maine [Mr. DINGLEY] says that a couple of years ago he purchased a piece of calico in Manchester, England, and paid 5 cents a yard for it; that the tariff on calico was 4 cents a yard, and that if the tariff were a tax it would make the price 9 cents; but that, on the contrary, his wife purchased in a store in this city, a piece of calico of better quality for 5 cents a yard. Now I wish to ask you this: If you can produce and sell in this country a yard of calico at the same price per yard at which it is sold in England, the American calico being of better quality, why do you want a tariff of 4 cents a yard to protect your calico?

I submit this proposition: Either a tariff is needed or it is not needed. If a tariff is needed, it is in order to add the amount of the tariff to the price of the home article to enable the American manufacturer to compete with the foreign. If it is not needed, who is going to justify it? Now, which horn

of the dilemma will you take? Will you say that this tariff is needed and used; or will you say it is not needed and ought to be abolished?

If, then, that is the purpose of a tariff—to make the man who buys the protected article pay more for that article than he would pay without the tariff—it means simply this, that the law should transfer so much money from my pocket to the pocket of somebody else. You cannot in this way raise an "infant industry" without putting the burden somewhere. Whenever you see the Government by operation of law send a dollar singing down into one man's pocket, you must remember that the Government has brought it crying up out of some other man's pocket. You might just as well try to raise a weight with a lever without a fulcrum as try to help some particular industry by means of taxation without placing the burden upon the consumer.

Back in Illinois when we were repairing a rail fence, we would sometimes find a corner down pretty low in the ground, and not wanting to tear down the fence we would raise that fence corner and put a new ground chunk under it. How did we do it? We took a rail, put one end of it under the fence corner, then laid down a ground chunk for a fulcrum. Then we would go off to the end of the rail and bear down; up would go the fence corner—but does anybody suppose there was no pressure on that fulcrum?

That, my friends, illustrates just the operation, as I conceive it, of a protective tariff. You want to raise an infant industry, for instance; what do you do? You take a protective tariff for a lever, and

put one end of it under the infant industry that is to be raised. You look around for some good, fat, hearty consumer and lay him down for a ground chunk; you bear down on the rail and up goes the infant industry, but down goes the ground chunk into the ground.

The reason our friends justify the principle is that they see the infant industry rise, but they forget the men upon whom they are placing the burden. And the trouble with this country is that all over the land are the homes of forgotten men—men whose rights have been violated and whose interests have been disregarded in order that somebody else may be enriched. It is the principle that is involved in this little binding-twine bill. You see the industry that gets the $20,000, but you never think of the farmers who go down into their pockets and pay the little sums that make up the great amount. Is not that a fact? Is not that the effect of the tariff?

The man who justifies protection as a principle must prove three things: He must prove that the principle is right; that the policy is wise, and that the tax is necessary.

No man on that side of the House in this session of Congress will stand up before you and justify a law that takes from one man one cent and gives it to another man if he will admit that that is the operation. Take an illustration: Here are ten men owning farms side by side. Suppose that nine of them should pass a resolution, "Resolved, That we will take the land of the tenth man and divide it among us." Who would justify such a transaction? Suppose the nine men tell the tenth man that he

will get it back in some way; that it is a great advantage to live amongst nine men who will thus be better off, and that indirectly he gets an advantage from the transaction?

How long do you suppose it would be before they would convince that man that they were right in taking his land? Would you, gentlemen, dare to justify that? You would not justify the taking of one square foot of his land. If you do not dare do that, how will you justify the taking of that which a man raises on his land, all that makes the land valuable? Where is the difference between the soil and the product of the soil? How can you justify the one if not the other?

MR. LIND. Will the gentleman from Nebraska yield for another question?

MR. BRYAN. Most willingly.

MR. LIND. I believe the gentleman from Nebraska voted for a bill the other day taxing the public at large for the purchase of text-books for children who attend the public schools. How does he justify that?

MR. BRYAN. I think, if I remember correctly, Mr. Chairman, that I have also paid a little tax for the support of public schools upon the theory that it was a public purpose, and I voted to buy school books upon the same theory. If I am wrong, I will be glad to be corrected. Did the gentleman from Minnesota vote for that with the understanding that it was for a public purpose or for a private purpose?

MR. LIND. A public purpose.

MR. BRYAN. Very well, then we agree.

Mr. Linn. But let me say in justice to myself that if the gentleman from Nebraska can convince me that a protective tariff, a protective policy, is not a public policy and beneficial to the people, and to the country as a whole, I will be a free trader with him.

Mr. Bryan. Mr. Chairman, I do not know that I want to take him quite that far, but I wish I could lead him to believe in a tariff for revenue only.

Mr. Raines. And with incidental protection.

Mr. Bryan. I will say this, that it makes a great deal difference with a man whether what has been done is the result of accident or design. If you levy a tariff for revenue, you will so arrange it as to raise a revenue and stop when you have raised revenue enough. But if you levy a tariff for protection you may so arrange the schedules as to make a heavy tax, raise but little revenue, and you never know when to stop.

Mr. Raines. Does the gentleman claim that we are getting too much revenue now?

Mr. Bryan. Perhaps not; but you have reduced the revenue by increasing the taxes upon the people and that is what I object to.

Mr. Raines. Will the gentleman allow me a question?

Mr. Bryan. Certainly.

Mr. Raines. I would like the gentleman now, in order to clinch his argument, to answer this question: Can the gentleman point to any one single article produced in the United States in competition with a foreign article that has been in-

creased in price by the McKinley tariff, or which is not actually cheaper to-day than it was prior to 1860?

MR. BRYAN. I will ask the gentleman if tin is manufactured in this country?

MR. RAINES. Well, I have in my desk a list in a trade paper——

A MEMBER. They are all on paper.

MR. RAINES (continuing). A list of twenty-seven manufacturers of tin; but I want to say to the gentleman that no trade paper was ever printed that could contain a list of all the tinplate liars of the United States.

MR. BRYAN. I suppose that paper, then, has no biographical sketch of my friend from New York. I will say, Mr. Chairman—and it will explain why I asked my friend from New York if we had any tin industries in this country—I have here a statement that the average price of tin plate for 1888 was $4.45 a box. The average price for five years prior to July 1, 1890, was $4.45. The average price for 1891 was $5.68 a box. This was given on the authority of the Tin Plate Consumers' Association of the United States, which has in its ranks a large majority of those who use tin. And I will place this on record as my authority, against the statement of the gentleman that no article could be mentioned upon which the price had been increased. And I will go further and name, if he wishes, an article upon which the price has been reduced by the removal of the tariff, namely, sugar.

MR. HALVORSON. And quinine.

MR. RAINES. I wish to call the gentleman's

attention right here to the fact that in 1880 the foreign price of tin was $8.28 a box, and the American price was $9.36 a box, while the price in 1891 was $5.42 a box.

MR. BRYAN. I am grateful, Mr. Chairman, for the information that the gentleman has injected into the body of my remarks. If he has the statistics in regard to the price in 1870 or in 1860, or in fact if he can give me the price of tin plate in 1592 say, or 1492, it will be a matter of great interest to my people, and this speech is going to circulate among them.

MR. RAINES. Mr. Chairman, I want to say that the gentleman himself seems to be the one who is indulging in ancient history.

MR. BRYAN. Mr. Chairman, I am sure if I have indulged in ancient history, this House will not pardon me unless I have a better excuse than the gentleman from New York can furnish for his indulgence in ancient history. And on this point—I expected to come to it later, but it is made opportune by the remarks of the gentleman—I want to ask him if he believes the tariff upon tin plate had anything to do with the cheapening of the price of tin plate in this country?

MR. RAINES. I believe that the tariff upon tin will result in the establishment of an industry in the United States.

A MEMBER. Answer the question.

MR. RAINES (continuing). And will result in the keeping at home of thirty millions of dollars a year that have been sent abroad, and will give employment to 100,000 men in the industry, and

will result in cheapening the price to the consumers in the United States.

MR. BRYAN. Mr. Chairman, the gentleman from New York may well be pardoned, as the rest of his party may be, for indulging in prophecy rather than history since 1890. But that is not an answer to my question. He stated that the price of tin plate had been reduced in the last ten years. I ask him, and I expect a direct answer and no equivocation, whether in his opinion the tariff upon tin plate has reduced (not will reduce) the price of tin plate? For that can be the only point to his remarks.

MR. RAINES. I have given my answer. When the industry of tin plate is established in the United States—and three months ago there was not a gentleman on that side who would admit that there was or would be a tin plate factory in the United States——

MR. BRYAN. We will not admit it to-day, sir.

MR. RAINES (continuing). When it is established in the United States the result will be just the same as it has been in the wire-nail industry, for you can buy wire nails to-day for less than the duty on nails.

MR. BRYAN. If the gentleman does not desire to answer my first question and wants to branch off into the wire-nail subject, I assure him that one of the most pleasant entertainments I had in my district last campaign revolved around a wire nail. If he prefers to refer to that, let me ask him if he believes the reduction in the price of wire nails is due to a protective tariff?

MR. RAINES. Largely.

MR. BRYAN. How largely? What is the proportion?

MR. RAINES. In that business I am laboring under the same difficulty that your majority of the Committee on Ways and Means are laboring, when in their report they say it is impossible to tell in what degree the tariff does affect either the increase or the reduction of the price of an article.

MR. BRYAN. I will ask you to give your best judgment as to what proportion protection has reduced the price of wire nails and the proportion in which other things have entered?

MR. RAINES. I would like to ask the gentleman when he suggests——

MR. BRYAN. One thing at a time.

MR. RAINES. I do not desire to interrupt the gentleman without his permission.

MR. BRYAN. If the gentleman will answer my question I will continue to answer his questions as long as he puts them; but I do not want him to refuse to answer my question and then ask me a question.

MR. RAINES. I do not want the gentleman to make an answer for me.

MR. BRYAN. I will let you make an answer if you will.

MR. RAINES. I was going to make an answer.

MR. BRYAN. Then make an answer.

MR. RAINES. I was going to make an answer in this way. I was going to ask the gentleman this. When he is buying a pound of wire nails for 2.8

cents, on which the duty is 2 cents, what is he doing? Is he buying nails or is he paying duty?

MR. BRYAN. I would like to ask the gentleman if his mind is so constructed that he considers that an answer to my question? Do you consider that an answer?

MR. RAINES. A reasonable one.

MR. BRYAN. Then, I am glad to send that out to the people of Nebraska as an illustration of the astuteness of the mind of a distinguished New York Republican.

Mr. Chairman, I think I can suggest to this House a reason why the gentleman from New York would not answer the question. I will give him the credit for more intelligence and less sincerity. The reason he would not answer that question is that he suspected that the next question would be: "If protection reduced the price of wire nails, and was put on for that purpose, and reduced the price of tin plate, and was put on for that purpose, why did the Republican party increase the tariff on wheat? Because they wanted to reduce the price? When a man defends a protective tariff on the theory that it reduces the price of the protected article, he wants the people of this country to believe that the manufacturer comes down to Congress and begs for a tariff on his article to decrease the price of his article, and then begs for a tariff on agricultural products to increase their price.

MR. RAINES. Well, Mr. Chairman, let me suggest to the gentleman that in the majority report, which he has signed, it is said that the tariff

actually did reduce the price of wool. You cannot get away from that; you signed the report.

MR. BRYAN. I said, Mr. Chairman, in the beginning, that there are wool growers in this country who believed that; but the gentleman cannot dodge the logic of his position by any such subterfuge as that. The difficulty is, Mr. Chairman, that when a man gets up here to defend protection he would have you believe that the manufacturer's sole aim in life is to make his goods cheap, in order that he may pay high wages to labor; and, as he cannot get them cheap enough otherwise, he asks Congress for a law to encourage competition, that he may be compelled to sell them cheaper. Now, if he is so anxious to cheapen goods to the people, why does he not simply reduce the price and not beg for a law to compel him to do it?

But, Mr. Chairman, as Plutarch would say, I digress. I was saying when interrupted that the man who defends the principle of protection must justify the taking of one man's money and putting it into another man's pocket. He must justify the appropriation by legislation of a part of the proceeds of our daily toil to somebody else as a benefit, and yet there is this difference between the case which I cited, of nine men getting together and taking the land of the tenth man and dividing it among them by resolution, and the case of protection. In that we have one man getting together and taking the property of the nine men by resolution and dividing it among "him." [Laughter.]

It has been said that a slave was a slave simply because 100 per cent. of the proceeds of his toil was

appropriated by somebody without his consent. If the law is such that a portion of the proceeds of our toil is appropriated by somebody else without our consent, we are simply to that extent slaves, as much so as were the colored men. And yet this party, that boasts that it struck the shackles from 4,000,000 slaves, insists on driving the fetters deeper into the flesh of 65,000,000 of free men.

But Mr. Chairman [looking at the clock. Cries of "Go on!"], if it is difficult to defend this on principle, it is equally difficult to defend it as a policy. I make this assertion, that if it is wise to appropriate money out of the public Treasury to aid a private enterprise, then it is wiser for a town than for a county. It is wiser for a county than for a State. For a Congress of restricted and delegated powers, whose members are far removed from the people, it is most unwise of all to vote away the public money for private purposes. So that, if that policy is wise at all, this is the last place to apply the principle.

We would not dare to trust that policy in our county or our town; and my friend from Sioux City has not pointed to an instance where it has been done at public expense. The difference between voting public money for private purposes and taking up a subscription voluntarily is so wide, that I do not believe there is a gentleman upon the other side who does not see it. Why would you not trust it at home? Because you know that there would go before that council, or before the county commissioners, only the men who want something, only those men and their paid attorneys would go

there to represent the great advantage that the proposed industry would be to the community, while the other side would never be heard.

Although you walk the streets with your councilmen every day; although they are your constant companions; well as you know them, as much confidence as you have in them, you would not dare to trust them in that way, because you know that when men come to vote money for private purposes, when they come to this special legislation, there are always special influences at work on the side of the strong and powerful, while, on the other hand, those who—

Far from the madding crowd's ignoble strife,

Keep—

—the noiseless tenor of their way

are never heard, although it is upon them that the burden resulting from such special legislation ultimately rests. Therefore, honest as your councilmen might be, desirous of doing right as they would be, you would feel that you could not, that you must not trust them with such power. And yet gentlemen will tell you that what they would not trust to their local authorities at home, what they would not dare to approve as a local matter in Sioux City or in Lincoln, they think right and proper here.

Mr. Perkins. If the gentleman will excuse me for interrupting, I will give him this further illustration. A Democratic city council in Sioux City, a body in which only one Republican was sitting, has voted for the last two years $50 a month out of the public funds to assist in the maintenance

of a jobbers and manufacturers' association in Sioux City. That is one illustration of voting public money to sustain a private organization, and it was done by a Democratic council containing only one Republican.

MR. BRYAN. It is a great credit to that city council that it has such a large majority of Democrats, and a credit to Sioux city also, but——

MR. PERKINS. If the gentleman will excuse me again, I will state that in the election held the other day the proportions were reversed.

MR. BRYAN. Mr. Chairman, I am sorry that the news must go out over this great country that Sioux City is on the decline. But until the gentleman has shown where the right to vote that money has been sanctioned by law he cannot cite the case as a precedent.

MR. STACKHOUSE. Probably those councilmen were turned out by the people because they had done that.

MR. BRYAN. Yes, as the gentleman from South Carolina [Mr. STACKHOUSE] suggests, probably the result of the recent election was due to the fact that they had disregarded their duty to their people. I think I recall a case where some city in Minnesota voted a certain bounty for a saloon to open in its midst, but my recollection is that the Supreme Court decided that that was hardly a public improvement or a public purpose.

MR. LIND. I want to say to my friend that that must have been in some other State, because in our State we tax a saloon a minimum sum of $500 for the privilege of existing.

MR. BRYAN. That tax may have made it all the more necessary that the bounty should be given before the saloon would open.

Now, Mr. Chairman, if the committee will pardon me for detaining them so long (cries of "Go on!" "Go on!") I want to say that it is as difficult to defend the necessity for a tariff as it is to defend its principle or its policy. And this brings me to another contradiction which we often find in the arguments of our Republican friends. If you ask them why they need a tariff they at once tell you that we pay so much better wages in this country than are paid abroad that we can not compete, and that until we are willing to reduce the wages of our workingmen we never can compete. That is a very plausible argument to start with, but then comes along some person who asks a question something like that asked yesterday by the gentleman from Texas [Mr. CRAIN] of the gentleman from Massachusetts [Mr. WALKER]. The gentleman from Texas asks, "Does not that protection make the price of goods higher in this country than abroad?" "No, sir," says Mr. Walker. "Everything that a man uses, except woolen goods, is cheaper in this country than it is abroad."

Now, to an "untutored mind," such as we are told new members possess, it would seem that if you need protection to labor in this country because labor is higher, that idea is hardly consistent, upon the Republican theory, with a cheaper product. Yet the same gentleman who yesterday told you that we must have a tariff to protect the laboring men in this country told you that the laboring men of this

country were producing articles cheaper than the laboring men of other countries.

I want to call attention—it is with some diffidence I assure you, after the gentleman from Massachusetts [Mr. WALKER] has said that it is nothing but "nonsense"—I want to call attention, however, so that those may consider it who are not inclined to look upon it as "nonsense," to what Hon. William M. Evarts said when he was Secretary of State, in his report in 1879. He says:

"The average American workman performs from one and a half to twice as much work in a given time as the average European workman. This is so important a point in connection with our ability to compete with the cheap labor manufactures of Europe, and it seems at first thought so strange that I will trouble you with somewhat lengthy quotations from the reports in support thereof."

That was the statement of the Republican Secretary of State. And I hope that none of my Republican friends will reflect upon the next authority I shall quote, Hon. James G. Blaine, who, when Secretary of State, said:

"Undoubtedly the inequalities in wages of English and American operatives (that is, in cotton manufactures) are more than equalized by the greater efficiency of the latter and their longer hours of labor. If this should prove to be a fact in practise, as it seems to me to be proven by official statistics, it would be a very important element in the establishment of our ability to compete with England for our share of the Cotton-goods trade of the World."

Henry Clay said in the Senate in 1832—sixty years ago—

"I have before me another statement of a practical and respectable man, well versed in the flannel manufacture in America and England, demonstrating that the cost of manufacture is precisely the same in both countries."

Are we less independent because of the protection we have had? Mr. J. B. Sargent, of New Haven, has been engaged for thirty years in the hardware business, being one of the largest manufacturers in the world of locks, bolts, builders' and furniture hardware, and, in certain lines, of carpenters' tools. He employs from fifteen hundred to two thousand men. He has nearly 12 acres of ground under roof. His daily output is nearly 50 tons of goods per day. He says in regard to the cost of manufacturing in this country:

"American manufacturers can successfully compete in any market where skilled labor is the test in spite of the low pay for which men work in China, in India, and in every country where labor is debased. My observation has taught me that the greatest obstacle to American competition in foreign markets to nearly every class of goods is the high price of our raw material. Take off the duty and we will send our goods everywhere. Wages would increase here under such a system rather than become lower."

Now these are the statements, cool and unimpassioned, of officials and men in position to know. I submit to you, my friends, that those statements are amply borne out by the illustrations of the gentleman from Maine [Mr. DINGLEY] and the gentleman from Massachusetts [Mr. WALKER] when they tell you that notwithstanding the greater wages paid, the actual product in this country is cheaper than it is in Europe. If that be true, then where is your need of protection? If that be true, then who can justify the imposition of a tariff on the ground that it is necessary to protect the laboring men in this country?

Mr. Chairman, the laborer has been used as a catspaw to draw chestnuts out of the fire for the manu-

facturer. The manufacturer comes here and pleads for a protective tariff in order that he may give employment with remunerative prices tc labor. You give him the protection he asks; you make him a trustee for the benefit of his employee; you give to that employee no law by which he can enforce his trust. The manufacturer goes back to his factory and puts in his pocket the bonus you have given him. And then the employee pleads, and pleads in vain, for his portion of the promised benefits.

I will tell you a story. I do not know whether you allow stories here [cries of "Go on!"], but there is a story which to my mind illustrates this point. A white boy said to a colored boy, "Let's go into cahoots and go a coon hunting; you furnish the dog and climb the tree, and I'll do the hollering." They went. The white boy "hollered"; the colored boy furnished the dog and climbed the tree. They caught three coons. When they came to divide, the white boy took them all. The colored boy asked, "What am I going to have?" "Why," said the white boy, "you get the cahoots."

Now, Mr. Chairman, the manufacturer has been making just such combination or partnership with his employee. The manufacturer says to his workman, "You come on and furnish the dog and climb the tree; you bring out the votes; and I will do the talking." They get their coons—they have been getting them. But compelled to put up with the "cahoots." Yes, and when the employee asks for the higher wages that were promised him last year, you find Pinkerton detectives stationed to keep

him off and foreigners brought in to supply his place.

Why do we need a contract-labor law? It is to prevent the protected industries of this country from sending abroad to get cheap labor to take the place of American labor. Is not that the result? Were we not promised last year just what the gentleman from New York tells us to-day will still come by and by? The "sweet by and by" has been the hope of the people for these thirty years; the "present" has been the enjoyment of the men who made the promises.

We were told of the number of laborers to be employed because of the McKinley bill; yet scarcely had the bill passed when there appeared in New York an advertisement for laborers to make tin plate; and the point of it was the statement that they would be paid higher prices than laborers were paid in Wales. Why was that stated in New York, except with a view to having that paper sent to Wales and importing here the labor to make these goods?

No, my friends, the manufacturer has not dealt fairly and honestly with the employee. What has been the result? Who has been getting the benefit? Is it the great mass of our people? Are they the ones that have profited by this transaction? If, Mr. Chairman, you undertook, by the method proposed awhile ago, to raise money by passing around a hat in this body for some protected friend or some one you wished to benefit, what would be the result of your efforts? If you passed it often enough you would get all the money we had in our pockets, and the man to whom you gave it would have all you col-

lected; and if we did not get out of money it would be because while you were emptying the hat we would be scratching around to get the next contribution ready, while the man to whom you gave it would get rich without having to scratch at all. Thus this system has operated. You have built up wealth in this country to a degree unparalleled in the history of the United States or of the world.

These men tell us that they cannot live without the collections they make; and yet they are the ones who build their stately palaces, who give their banquets, which rival in magnificence the banquets of ancient times. These are the men who can gather around a banquet board as they did, I think it was in New York, to celebrate "home industries" at $10 per plate, when within a stone's throw of their banquet hall were people to whom a 10-cent meal would be a luxury. Yes, sir, you take the statistics furnished by Mr. Shearman in the *Forum,* and he shows that 25,000 people own one-half of the wealth of this country, and 65,000,000 of people divide the other half between them.

If, Mr. Chairman, you should ask the friend receiving the contributions which you were supposed a moment ago to gather here and give to him, I presume he would tell you it was the best system of government ever invented. I am not surprized that a man like Mr. Carnegie is willing to write articles in monthly magazines to show what a great benefit of a protective system. But, Mr. Chairman, I ask you whether the people who pay this money believe that it is a good system? You went before them: a year ago; you took your idea of a protective tariff

with you, and said to them: "This, gentlemen, is the way we bring relief to the people." You said in your report "agriculture is depressed," and then you applied as a remedy the earliest practise known to surgery. "Bleed him again."

Under your protective party banner you went to the country and boasted that you had fastened on the people a law which they could not change for ten years. But you were as ignorant of the power of the people as you were careless of their welfare. You say that we deceived them; that we exceeded you in misrepresentation. You have the consolation of knowing that if we did it was the first time we ever went beyond you in that respect. But we did not. Because as a successful fabricator the average Republican will be recognized as one the latchet of whose shoes we are unworthy to unloose.

No; the people knew what you were doing; they knew what you had done, and they rose in their might and hurled you from power; and to-day the once proud Republican party, that used to take the election of President as a matter of course, thinks it worth while to announce to this body through the gentleman from New York [Mr. RAINES] that the Republican party has made a gain in supervisors in New York.

MR. RAINES. Let me suggest to the gentleman that all the people are getting as a result of the change is free wool, free binding-twine, and free cotton-ties.

MR. BRYAN. I only hope, Mr. Chairman, that what the gentleman says is true, and that they will get these things. I hope that the body at the other

end of this Capitol, which differs from us in the political complexion of its majority, will not stand between the people and this relief.

Yes, sir; they boasted that nothing could be done; that they had the people bound hand and foot. Where are those conspirators today? Where the men who were the most largely instrumental in fastening that iniquitous legislation on this country? When they went back to their people the expression of confidence was in the other man.

MR. RAINES. One of them is governor of Ohio.

MR. BRYAN. Yes; I believe he did succeed in being elected governor of a Republican State.

MR. DAVIS. By a minority vote.

MR. BRYAN Yes, by a minority vote. And to such extremity has this great Cæsar come that he welcomes the holding of a Republican State now more than before he boasted of the conquest of a nation. We do not feel unkindly toward our friend from Maine, the ex-Speaker, although he seems more sensitive to remarks now than when in the chair. And he has rather contradicted the statement that the "leopard can not change his spots," or a person his skin. He seems to have made some kind of an exchange by which he got one much thinner than the one he wore two years ago.

A MEMBER. A thinner hide.

MR. BRYAN. We shall not find fault with him if he consumes much of his time, as he gazes around upon the chairs once occupied by his faithful companions, in recalling those beautiful words of the poet Moore:

'Tis the last rose of summer, left blooming alone,
All her lovely companions have faded and gone,
No flower of her kindred, no rosebud is nigh
To reflect back her blushes, or give sigh for sigh.

And it is barely possible that the great revolution which began a year ago may some time reach even to the coast of Maine; and for the good of the country, but perhaps for the injury of our party—because he has been a faithful friend to us, and in the language of another noted gentleman from Maine, "has done us a great favor without knowing it"——

MR. WHEELER of Alabama. Without intending it.

MR. BRYAN. The time may come, I say, when his constituents will address him in the language of that other verse, as beautiful in words and as appropriate in sentiment—

I'll not leave thee, thou lone one, to pine on the stem;
Since the lovely are sleeping, go sleep thou with them.
Thus kindly I scatter thy leaves o'er the bed
Where thy mates of the garden lie scentless and dead.

Mr. Chairman, some reference has been made to the effect of a protective tariff upon manufactured articles, and the argument has been advanced that the aim and results are to reduce the price of protected articles to the consumer. I want to say to you that such was never the intention of a protective tariff upon the part of those who supported it; and that if the price is reduced, it comes as the effect of improved machinery, and not as the effect of a law which enables the manufacturer to sell here protected from competition, while he often sells abroad in competition with the world. The gentle-

man will tell us that goods are cheaper to-day than they were thirty years ago. It is true. But if protection did it, let him explain why it is that not only here, where we have protection, but in England, where they have free trade, goods are cheaper than they were before.

The gentleman from Massachusetts [Mr. WALKER] told us that steel rails had fallen in price because of a protective tariff.

I will append to my remarks a schedule given by Mr. Carlisle in an article in the *Forum*, in which he shows the price of steel rails in England from 1871 to 1882, and the price of steel rails in this country during that time, and the amount consumed. This shows what the Englishman paid for them, and also what the American paid for the same amount of rails. And when you add up the difference you find that in these ten or eleven years the American people paid $159,000,000 more for their steel rails than the English people paid. And yet you say that protection makes them cheaper.

During all that time they were cheaper in England. Is your system such a one that it will take hold of a price and pull it down in this country, and then, not satisfied with that, go over to some foreign country, grab the price there and pull it down? And then, not satisfied with that, will it pull down the price in foreign countries more than it pulls it down in this country? Some one has said that the onion is a vegetable that makes the man sick who does not eat it. It would seem that protection does the greatest good to the country that does not have it.

Until you explain what it is that reduces the price of steel rails and other manufactured products, not here alone, but all over the world, you cannot attribute it to a protective tariff; but you must attribute it rather to the inventive genius that has multiplied a thousand times, in many instances, the strength of a single arm, and enabled us to do today with one man what fifty men could not do fifty years ago. That is what has brought the price down in this country and everywhere, and so far from the protective tariff helping it, it has stood as a bar and prevented us, step by step, from taking advantage of the inventive genius of other countries. It has compelled us, each time and all the time when it has benefited the protected industry, to pay more for those same things than the people elsewhere.

I asked my friend from Maine [Mr. DINGLEY], when he was telling us of the benefits of protection, if a man in this country bought his goods as cheaply as in England, and he said while we might get them at a higher price in dollars, that we got them cheaper in labor, and that labor was the only standard of measurement. Then I asked him—I will append to my speech the exact language of the question and answer—I asked him whether, if the farmer in Nebraska went to sell his wheat and to exchange the price he obtained for it for woolen clothing, he would get as much woolen clothing as the English farmer would get for the same amount of wheat when he went to exchange his product. You remember the answer. There was no direct answer, but, like my friend from New York [Mr. RAINES], he spurned the present and soared with

outstretched wings into the dismal future, and told us that if we got free trade, *then* he would not. I ask, how is it to-day? We have had enough of your prophecies. We want to come down and find what are doing *now*.

His answer, if it was an answer, must be construed to mean that while the farmer in Nebraska had to pay more wheat for the same amount of clothes than the English farmer, he got it back in other ways. That, being surrounded by the benefits of protection, he absorbed through his skin, as it were, what he paid out of his pocket. Living in an atmosphere of protection, forced upon this country by philanthropists who tell you, as the gentleman from Massachusetts [Mr. WALKER] did, that free trade would help manufacturers—but he so loves the great mass of the people that he does not dare to give himself the benefit—living surrounded by these elevated minds, you breathe in an atmosphere that far more than compensates for all you lose.

Now, there are two arguments which I have never heard advanced in favor of protection; but they are the best arguments. They admit a fact and justify it, and I think that is the best way to argue, if you have a fact to meet. Why not say to the farmer, "Yes, of course you lose; but does not the Bible say, 'It is more blessed to give than to receive' —and if you suffer some inconvenience, just look back over your life and you will find that your happiest moments were enjoyed when you were giving something to somebody, and the most unpleasant moments were when you were receiving."

These manufacturers are self-sacrificing. They are willing to take the lesser part, and the more unpleasant business of receiving, and leave to you the greater joy of giving.

Why do they not take the other theory, which is borne out by history—that all nations which have grown strong, powerful and influential, just as individuals have done it, through hardship, toil and sacrifice, and that after they have become wealthy they have been enervated, they have gone to decay through the enjoyment of luxury, and that the great advantage of the protective system is that it goes around among the people and gathers up their surplus earnings so that they will not be enervated or weakened, so that no legacy of evil will be left to their children. Their surplus earnings are collected up, and the great mass of our people are left strong, robust and hearty. These earnings are garnered and put into the hands of just as few people as possible, so that the injury will be limited in extent. And they say, "Yes, of course, of course; it makes dudes of our sons, and it does, perhaps, compel us to buy foreign titles for our daughters [laughter], but of course if the great body of the people are benefited, as good, patriotic citizens we ought not to refuse to bear the burden."

Why do they not do that? They simply come to you and tell you that they want a high tariff to make low prices, so that the manufacturer will be able to pay large wages to his employees. And then, they want a high tariff on agricultural products, so that they will have to buy what they buy

at the highest possible price. They tell you that a tariff on wool is for the benefit of the farmer, and goes into his pocket, but that the tariff on manufactured products goes into the farmer's pocket, too, "and really hurts us, but we will stand it if we must." They are much like a certain maiden lady of uncertain age, who said, "This being the third time that my beau has called, he might make some affectionate demonstration"; and, summing up all her courage, she added. "I have made up my mind that if he does I will bear it with fortitude."

Mr. Chairman [looking at the clock—cries of "Go on!"], if there is no limit to your patience there is a limit to my strength, and I will not claim your attention much longer. But I desire to say here, Mr. Chairman——

MR. BUSHNELL. Let the committee rise, and close in the morning.

MR. BRYAN. I prefer to finish to-night if gentlemen are willing to listen. [Cries of "Go ahead!"]

I desire to say, Mr. Chairman, that this Republican party, which is responsible for the present system, has stolen from the vocabulary one of its dearest words and debased its use. Its orators have prated about home industries while they have neglected the most important of home industries—the home of the citizen. The Democratic party, so far from being hostile to the home industries, is the only champion, unless our friends here, the Independents, will join with us, of the real home industry of this country.

When some young man selects a young woman

who is willing to trust her future to his strong right arm, and they start to build a little home, that home which is the unit of society and upon which our Government and our prosperity must rest—when they start to build this little home, and the man who sells the lumber reaches out his hand to collect a tariff upon that; the man who sells paints and oils wants a tariff upon them; the man who furnishes the carpets, table-cloths, knives, forks, dishes, furniture, spoons, everything that enters into the construction and operation of that home —when all these hands, I say, are stretched out from every direction to lay their blighting weight upon that cottage, and the Democratic party says, "Hands off, and let that home industry live," it is protecting the grandest home industry that this or any other nation ever had.

And I am willing that you, our friends on the other side, shall have what consolation you may gain from the protection of those "home industries" which have crowned with palatial residences the hills of New England, if you will simply give us the credit of being the champions of the homes of this land. It would seem that if any appeal could find a listening ear in this legislative hall it ought to be the appeal that comes up from those co-tenants of earth's only paradise; but your party has neglected them; more, it has spurned and spit upon them. When they asked for bread you gave them a stone, and when they asked for a fish you gave them a serpent. You have laid upon them burdens grievous to be borne. You have filled their days with toil and their nights with anxious care,

and when they cried aloud for relief you were deaf to their entreaties.

It is said that when Ulysses was approaching the island of the Sirens, warned beforehand of their seductive notes, he put wax in the ears of his sailors and then strapped himself to the mast of the ship, so that, hearing, he could not heed. So our friends upon the other side tell us that there is depression in agriculture, and a cry has come up from the people; but the leaders of your party have, as it were, filled with wax the ears of their associates, and then have so tied themselves, by promises made before the election to the protected interests, that, hearing, they can not heed.

Out in the West the people have been taught to worship this protection. It has been a god to many of them. But I believe, Mr. Chairman, that the time for worship has passed. It is said that there is in Australia what is known as the cannibal tree. It grows not very high, and spreads out its leaves like great arms until they touch the ground. In the top is a little cup, and in that cup a mysterious kind of honey. Some of the natives worship the tree, and on their festive days they gather around it, singing and dancing, and then, as a part of their ceremony, they select one from their number, and, at the point of spears, drive him up over the leaves onto the tree; he drinks of the honey, he becomes intoxicated as it were, and then those arms, as if instinct with life, rise up; they encircle him in their folds, and, as they crush him to death, his companions stand around shouting and singing for joy.

Protection has been our cannibal tree, and as one after another of our farmers has been driven by the force of circumstances upon that tree and has been crushed within its folds his companions have stood around and shouted, "Great is protection!"

But the dream has passed, the night is gone, and in the East we see more than the light of coming day. A marvelous change has taken place, and, rising from the political mourners' benches throughout the Northwest, their faces radiant with a new-found joy, multitudes are ready to declare their allegiance to the cause of tariff reform.

And if you believe, gentlemen, as you have so often professed to believe, that your political disfigurement is simply temporary, or if you console yourselves with the idea that the Lord is only chastising those whom he loves—if so, it is the most affectionate demonstration known to political history—you are making a grave mistake.

We have heard from that side of the House twice, I think, recently that "truth is eternally triumphant." That is true; and while the proposition may describe the success of the Democratic party in 1890 and give us encouragement to hope that that success will continue, I want to suggest to our friends over there a quotation that is far more appropriate to describe the condition of the Republican party. It is this: "Though justice has leaden feet, it has an iron hand." You rioted in power, you mocked the supplication of the people, you denied their petitions, and now you have felt their wrath. At last justice has overtaken you, and now you are suffering the penalty that

must sooner or later overtake the betrayer of a public trust.

I believe, Mr. Chairman, that the overthrow of the Republican party is not temporary but permanent. As the poet has beautifully expressed it:

> Truth, crushed to earth, shall rise again;
> Th' eternal years of God are hers;
> But Error, wounded, writhes in pain,
> And dies among his worshipers.

Mr. Clarkson, high Republican authority, has told us that the young men of the country are becoming Democrats. Why? Because we are right. And when you find where the young men of the country are going, you can rest assured that that party is going to succeed. Why are we right? Because, Mr. Chairman, we are demanding for this people equal and exact justice to every man, woman, and child. We desire that the laws of this country shall not be made, as they have been, to enable some men to get rich while many get poor.

I will append to my speech statistics from seven States, furnished by the Census Bureau, showing the proportion of those who in 1880 rented their farms and the proportion who rented in 1890. These statistics are only partial, embracing in some States only a few counties. I was told by the official who gave them to me that they might be changed a little by verification, but that they were substantially correct. I want the people of this country to read these statistics and understand what they mean. In ten counties in the State of Kansas the proportion of those renting their farms

increased from 13.13 in 1880 to 35.25 per cent. in 1890; and 64.38 per cent. of the farms are mortgaged. Yet they tell us that they are protecting "infant industries."

Why, sir, these mortgages are held in the East; and if these manufacturing States, when their industries are "infants," own themselves and have a mortgage on us, what is going to be the result when they get full grown?

In Ohio in ten counties the proportion of renters in 1880 was 24.96 per cent.; in 1890, 37.10 per cent. In five counties of Virginia in 1880 the proportion was 15.20 per cent.; in 1890, 20.20 per cent.; in New York in eight counties 18.20 per cent. in 1880, 24 per cent. in 1890; in Massachusetts in ten counties 6.70 per cent. in 1880, and 14.20 per cent. in 1890; in Rhode Island in four counties 19.50 per cent. in 1880, 23.25 per cent. in 1890; in Maine in six counties 2.50 per cent. in 1880, 7.33 per cent. in 1890.

Thus in every State, so far as these statistics have been collected, the proportion of home-owning farmers is decreasing and that of tenant farmers increasing. This means but one thing; it means a land of landlords and tenants; and, backed by the history of every nation that has gone down, I say to you that no people can continue a free people under a free government when the great majority of its citizens are tenants of a small minority. Your system has driven the farm-owner from his land and substituted the farm tenant.

Mr. Chairman, just a word more, and I am through. You can, if you like, build up these

"infant industries," if your country is willing to pay the price. A good many years ago a colored man, whose child had the whooping-cough, went to his physician and laid the matter before him. The doctor looked very wise for a moment and then said: "Take three hairs out of the back of your mule and lay them on the child; you will cure the child, but you will kill the mule." The man thought of his love for his child and his need for the mule, and said: "Doctor, I'se poor; I can't afford ter lose de mule." Yes, my friend, you can build up your "infant industries" if you will, if you are willing to risk the destruction of the people. But I say that the country is poor; it cannot afford to lose its common people; it cannot spare the men who will thus be sacrificed. Well has the poet said:

> Ill fares the land, to hastening ills a prey,
> Where wealth accumulates, and men decay.
> Princes and lords may flourish or may fade—
> A breath can make them, as a breath has made;
> But a bold peasantry, their country's pride,
> When once destroy'd, can never be supplied.

We cannot afford to destroy the peasantry of this country. We cannot afford to degrade the common people of this land, for they are the people who in time of prosperity and peace produce the wealth of the country, and they are also the people who in time of war bare their breasts to a hostile fire in defense of the flag. Go to Arlington or to any of the national cemeteries, see there the plain white monuments which mark the place "where rest the ashes of the nation's countless

dead," those of whom the poet has so beautifully written:

> On Fame's eternal camping-ground
> Their silent tents are spread.

Who were they? Were they the beneficiaries of special legislation? Were they the people who are ever clamoring for privileges? No, my friends; those who come here and obtain from Government its aid and help find in time of war too great a chance to increase their wealth to give much attention to military duties. A nation's extremity is their opportunity. They are the ones who make contracts, carefully drawn, providing for the payment of their money in coin, while the Government goes out, if necessary, and drafts the people and makes them lay down upon the altar of their country all they have. No; the people who fight the battles are largely the poor, the common people of the country; those who have little to save but their honor, and little to lose but their lives. These are the ones, and I say to you, sir, that the country cannot afford to lose them. I quote the language of Pericles in his great funeral oration. He says:

> "It was for such a country, then, that these men, nobly resolving not to have it taken from them, fell fighting; and every one of their survivors may well be willing to suffer in its behalf."

That, Mr. Chairman, is a noble sentiment and points the direction to the true policy for a free people. It must be by beneficent laws, it must be by a just government which a free people can love and upon which they can rely that the nation is to be preserved. We cannot put our safety in a

great navy; we cannot put our safety in expensive fortifications along a seacoast thousands of miles in extent, nor can we put our safety in a great standing army that would absorb in idleness the toil of the men it protects. A free government must find its safety in happy and contented citizens, who, protected in their rights and free from unnecessary burdens, will be willing to die that the blessings which they enjoy may be transmitted to their posterity.

Thomas Jefferson, that greatest of statesmen and most successful of politicians, tersely exprest the true purpose of government when he said:

> "With all these blessings, what more is necessary to make us a happy and prosperous people? Still one thing more, fellow citizens; a wise and frugal government, which shall restrain men from injuring one another; shall leave them otherwise free to regulate their own pursuits of industry and improvement, and shall not take from the mouth of labor the bread it has earned. This is the sum of good government, and this is necessary to close the circle of our felicities."

That is the inspiration of the Democratic party; that is its aim and object. If it comes, Mr. Chairman, into power in all the departments of this Government it will not destroy industry; it will not injure labor; but it will save to the men who produce the wealth of the country a larger portion of that wealth. It will bring prosperity and joy and happiness, not to a few, but to every one without regard to station or condition. The day will come, Mr. Chairman—the day will come when those who annually gather about this Congress seeking to use the taxing power for private purposes will find their oc-

cupation gone, and the members of Congress will meet here to pass laws for the benefit of all the people. That day will come, and in that day, to use the language of another, "Democracy will be king! Long live the king!"

II

BIMETALISM

Delivered in Congress on August 16, 1893, in opposition to the bill to repeal the purchasing clause of the Sherman act, and containing a general discussion of bimetalism.

MR. SPEAKER: I shall accomplish my full purpose if I am able to impress upon the members of the House the far-reaching consequences which may follow our action and quicken their appreciation of the grave responsibility which presses upon us. Historians tell us that the victory of Charles Martel at Tours determined the history of all Europe for centuries. It was a contest "between the Crescent and the Cross," and when, on that fateful day, the Frankish prince drove back the followers of Abderrabman he rescued the West from "the all-destroying grasp of Islam," and saved to Europe its Christian civilization. A greater than Tours is here! In my humble judgment the vote of this House on the subject under consideration may bring to the people of the West and South, to the people of the United States, and to all mankind, weal or woe beyond the power of language to describe or imagination to conceive.

In the princely palace and in the humblest hamlet; by the financier and by the poorest toiler; here, in Europe and everywhere, the proceedings of this Congress, upon this problem, will be read and studied; and as our actions bless or blight we shall

be commended or condemned. The President of the United States, in the discharge of his duty as he sees it, has sent to Congress a message calling attention to the present financial situation, and recommending the unconditional repeal of the Sherman law as the only means of securing immediate relief. Some outside of this hall have insisted that the President's recommendation imposes upon Democratic members an obligation, as it were, to carry out his wishes, and over-zealous friends have even suggested that opposition to his views might subject the hardy dissenter to administrative displeasure. They do the President great injustice who presume that he would forget for a moment the independence of the two branches of Congress. He would not be worthy of our admiration or even respect if he demanded a homage which would violate the primary principles of free representative government.

Let his own language rebuke those who would disregard their pledges to their own people in order to display a false fealty. In the message which he sent to Congress in December, 1885, he said, in words which may well be our guide in this great crisis: "The zealous watchfulness of our constituencies, great and small, supplements their suffrage, and before the tribunal they establish every public servant should be judged." Among the many grand truths exprest felicitously by the President during his public career none show a truer conception of official duty or describe with more clearness the body from which the member receives his authority and to which he owes his responsibility.

Yes, Mr. Speaker, it is before the tribunal established by our constituencies, and before that tribunal only that we must appear for judgment upon our actions here. When we each accepted a commission from 180,000 people we pledged ourselves to protect their rights from invasion and to reflect their wishes to the best of our ability, and we must stand defenseless before the bar if our only excuse is "he recommended it." And remember, sir, that these constituencies include not bankers, brokers, and boards of trade only, but embrace people in every station and condition of life; and in that great court from whose decision there is no appeal every voter has an equal voice. That the Democratic party understands the duty of the Representative, is evident from the fact that it found it necessary to nonconcur in a similar recommendation made by the President in 1885.

In the message which he sent to the Forty-ninth Congress, at the beginning of the first session, we find these words:

"Prosperity hesitates upon our threshold because the dangers and uncertainties surrounding this question. Capital timidly shrinks from trade, and investors are unwilling to take the chance of the questionable shape in which their money will be returned to them, while enterprise halts at a risk against which care and sagacious management do not protect.

"As a necessary consequence, labor lacks employment, and suffering and distress are visited upon a portion of our fellow citizens especially entitled to the careful consideration of those charged with the duties of legislation. No interest appeals to us so strongly for a safe and stable currency as the vast army of the unemployed. I recommend the suspension of the compulsory coinage of silver dollars, directed by the law passed in February, 1878."

It will be seen that the same forces were at work then as now; the same apprehension existed as now; the same pressure was brought from the same sources in favor of the debasement of silver; but the members of Congress, refusing to take counsel of their fears, stood by the record of both great parties and by the Nation's history and retained the coinage of silver as then provided for. Let it be said to the credit of the Democratic party that in the House only 33 of its members voted to suspend the Bland law, while 130 are recorded against suspension. Time has proved that the members, reflecting the opinions of their people, were wiser than the Executive, and he is doubtless grateful today that they did not follow his suggestion.

I have read with care the message sent to us last week, and have considered it in the light of every reasonable construction of which it is capable. If I am able to understand its language it points to the burial of silver, with no promise of resurrection. Its reasoning is in the direction of a single standard. It leads irresistibly to universal gold monometalism —to a realm over whose door is written: "Abandon hope, all ye who enter here!" Before that door I stop, appalled. Have gentlemen considered the effect of a single gold standard universally adopted? Let us not deceive ourselves with the hope that we can discard silver for gold, and that other nations will take it up and keep it as a part of the world's currency. When all the silver available for coinage could gain admission to some mints and all the gold available for coinage would find a place for mintage, and some nation like France maintained the

parity by means of bimetalism it was of comparatively little importance whether a particular nation used silver, or gold, or both.

Exchange did not fluctuate and trade could be carried on without inconvenience. But times have changed. One nation after another has closed its mints to silver until the white metal has, in European countries, been made an outcast by legislation and has shown a bullion value different from its coinage value. India, at last, guided by the misrepresentations of the metropolitan press, which proclaimed as certain what was never probable, has suspended free coinage, fearing that this country would stop the purchase of silver. If the United States, the greatest silver-producing nation, which now utilizes more than one-third of the total annual product of the world, closes its mint to the coinage of silver, what assurance have we that it can retain its place as primary money in the commercial world?

Is it not more reasonable to suppose that a further fall in the bullion value of silver will be followed by a demand for a limitation of the legal tender qualities of the silver already in existence? That is already being urged by some. Is it not reasonable to suppose that our hostile action will lead to hostile action on the part of other nations? Every country must have money for its people, and if silver is abandoned and gold substituted, it must be drawn from the world's already scanty supply.

We hear much about a "stable currency" and an "honest dollar." It is a significant fact that those who have spoken in favor of unconditional

repeal have for the most part avoided a discussion of the effect of an appreciating standard. They take it for granted that a gold standard is not only an honest standard, but the only stable standard. I denounce that child of ignorance and avarice, the gold dollar under a universal gold standard, as the most dishonest dollar which we could employ.

I stand upon the authority of every intelligent writer upon political economy when I assert that there is not and never has been an honest dollar. An honest dollar is a dollar absolutely stable in relation to all other things. Laughlin, in his work on Bimetalism, says:

"Monometalists do not—as is often said—believe that gold remains absolutely stable in value. They hold that there is no such thing as a 'standard of value' for future payments in either gold or silver which remains absolutely invariable."

He even suggests a multiple standard for long-time contracts. I quote his words:

"As regards National debts it is distinctly averred that neither gold nor silver forms a just measure of deferred payments, and that if justice in long contracts is sought for, we should not seek it by the doubtful and untried expedient of international bimetalism, but by the clear and certain method of a multiple standard, a unit based upon the selling prices of a number of articles of general consumption. A long-time contract would thereby be paid at its maturity by the same purchasing power as was given in the beginning."

Jevons, one of the most generally accepted of the writers in favor of a gold standard, admits the instability of a single standard, and in language very similar to that above quoted suggests the multiple standard as the most equitable, if practicable. Chevalier, who wrote a book in 1858 to show the injus-

tice of allowing a debtor to pay his debts in a cheap gold dollar, recognized the same fact, and said:

"If the value of the metal declined, the creditor would suffer a loss upon the quantity he had received, if, on the contrary, it rose, the debtor would have to pay more than he calculated upon."

I am on sound and scientific ground, therefore, when I say that a dollar approaches honesty as its purchasing power approaches stability. If I borrow a thousand dollars to-day and next year pay the debt with a thousand dollars which will secure exactly as much of all things desirable as the one thousand which I borrowed, I have paid in honest dollars. If the money has increased or decreased in purchasing power, I have satisfied my debt with dishonest dollars. While the Government can say that a given weight of gold or silver shall constitute a dollar, and invest that dollar with legal-tender qualities, it cannot fix the purchasing power of the dollar. That must depend upon the law of supply and demand, and it may be well to suggest that this Government never tried to fix the exchangeable value of a dollar until it began to limit the number of dollars coined.

If the number of dollars increases more rapidly than the need for dollars—as it did after the gold discoveries of 1849—the exchangeable value of each dollar will fall and prices rise. If the demand for dollars increases faster than the number of dollars —as it did after 1800—the price of each dollar will rise and prices generally will fall. The relative value of the dollar may be changed by natural causes or by legislation. An increased supply—the

demand remaining the same—or a decreased demand—the supply remaining the same—will reduce the exchangeable value of each dollar. Natural causes may act on both supply and demand; as, for instance, by increasing the product from the mines or by increasing the amount consumed in the arts. Legislation acts directly on the demand, and thus affects the price, since the demand is one of the factors in fixing the price.

If by legislative action the demand for silver is destroyed and the demand for gold is increased by making it the only standard, the exchangeable value of each unit of that standard, or dollar, as we call it, will be increased. If the exchangeable value of the dollar is increased by legislation the debt of the debtor is increased, to his injury and to the advantage of the creditor. And let me suggest here, in reply to the gentleman from Massachusetts [MR. MCCALL], who said that the money loaner was entitled to the advantages derived from improved machinery and inventive genius, that he is mistaken. The laboring man and the producer are entitled to these benefits, and the money loaner, by every law of justice, ought to be content with a dollar equal in purchasing power to the dollar which he loaned, and any one desiring more than that desires a dishonest dollar, it matters not what name he may give it. Take an illustration: John Doe, of Nebraska, has a farm worth $2,000 and mortgages it to Richard Roe, of Massachusetts, for $1,000. Suppose the value of the monetary unit is increased by legislation which creates a greater demand for gold. The debt is increased. If the increase amounts to

100 per cent. the Nebraska farmer finds that the prices of his products have fallen one-half and his land loses one-half its value, unless the price is maintained by the increased population incident to a new country.

The mortgage remains nominally the same, tho the debt has actually become twice as great. Will he be deceived by the cry of "honest dollar"? If he should loan a Nebraska neighbor a hog weighing 100 pounds and the next spring demand in return a hog weighing 200 pounds he would be called dishonest, even tho he contended that he was only demanding one hog—just the number he loaned. Society has become accustomed to some very nice distinctions. The poor man is called a socialist if he believes that the wealth of the rich should be divided among the poor, but the rich man is called a financier if he devises a plan by which the pittance of the poor can be converted to his use.

The poor man who takes property by force is called a thief, but the creditor who can by legislation make a debtor pay a dollar twice as large as he borrowed is lauded as the friend of a sound currency. The man who wants the people to destroy the Government is an anarchist, but the man who wants the Government to destroy the people is called a patriot.

The great desire now seems to be to restore confidence, and some have an idea that the only way to restore confidence is to coax the money loaner to let go of his hoard by making the profits too tempting to be resisted. Capital is represented as a shy and timid maiden who must be courted, if won.

Let me suggest a plan for bringing money from Europe. If it be possible, let us enact a law, "Whereas confidence must be restored; and whereas money will always come from its hiding place if the inducement is sufficient: Therefore, be it enacted, That every man who borrows $1 shall pay back $2 and interest (the usury law not to be enforced)."

Would not English capital come "on the swiftest ocean greyhounds"? The money loaner of London would say: "I will not loan in India or Egypt or in South America. The inhabitants of those countries are a wicked and ungodly people and refuse to pay more than they borrowed. I will loan in the United States, for *there* lives an honest people, who delight in a sound currency and pay in an honest dollar." Why does not some one propose that plan? Because no one would dare to increase by law the number of dollars which the debtor must pay, and yet by some it is called wise statesmanship to do indirectly and in the dark what no man has the temerity to propose directly and openly.

We have been called cranks and lunatics and idiots because we have warned our fellow men against the inevitable and intolerable consequences which would follow the adoption of a gold standard by all the world. But who, I ask, can be silent in the presence of such impending calamities? The United States, England, France, and Germany own to-day about $2,600,000,000 of the world's supply of gold coin, or about five-sevenths of the total amount, and yet these four nations contain but a small fraction of the inhabitants of the globe. What will be the exchangeable value of a gold dollar when

India's people, outnumbering alone the inhabitants of the four great nations named, reach out after their share of gold coin? What will be the final price of gold when all the nations of the Occident and Orient join in the scramble?

A distinguished advocate of the gold standard said recently, in substance: "Wheat has now reached a point where the English can afford to buy it, and gold will soon return to relieve our financial embarrassment." How delighted the farmer will be when he realizes what an opportunity he has to save his country! A nation in distress; banks failing; mines closed; laborers unemployed; enterprise at a standstill, and behold, the farmer, bowed with unceasing, even if unremunerative, toil, steps forth to save his country—by selling his wheat below the cost of production! And I am afraid he will even now be censured for allowing the panic to go as far as it has before reducing his price.

It seems cruel that upon the growers of wheat and cotton, our staple exports, should be placed the burden of supplying us, at whatever cost, with the necessary gold, and yet the financier quoted has suggested the only means, except the issue of bonds, by which our stock of gold can be replenished. If it is difficult now to secure gold, what will be the condition when the demand is increased by its adoption as the world's only primary money? We would simply put gold upon an auction block, with every nation as a bidder, and each ounce of the standard metal would be knocked down to the one offering the most of all other kinds of property. Every disturbance of finance in one country would communi-

cate itself to every other, and in the misery which would follow it would be of little consolation to know that others were suffering as much as, or more than, we.

I have only spoken of the immediate effects of the substitution of gold as the world's only money of ultimate redemption. The worst remains to be told. If, as in the resumption of specie payments in 1879, we could look forward to a time when the contraction would cease, the debtor might become a tenant upon his former estate and the home-owner assume the rôle of the homeless with the sweet assurance that his children or his children's children might live to enjoy the blessings of a "stable currency." But, sir, the hapless and hopeless producer of wealth goes forth into a night illuminated by no star; he embarks upon a sea whose farther shore no mariner may find; he travels in a desert where the ever-retreating mirage makes his disappointment a thousandfold more keen. Let the world once commit its fortunes to the use of gold alone and it must depend upon the annual increase of that metal to keep pace with the need for money.

The Director of the Mint gives about $130,000,000 as the world's production last year. Something like one-third is produced in connection with silver, and must be lost if silver mining is rendered unproductive. It is estimated that nearly two-thirds of the annual product is used in the arts, and the amount so used is increasing. Where, then, is the supply to meet the increasing demands of an increasing population? Is there some new California or some undiscovered Australia yet to be explored?

Is it not probable that the supply available for coinage will diminish rather than increase? Jacobs, in his work on the Precious Metals, has calculated the appreciation of the monetary unit. He has shown that the almost imperceptible increase of 2 per cent. per year will amount to a total appreciation of 500 per cent. in a century. Or, to illustrate, that cotton at 10 cents to-day and wheat at 60 cents would mean cotton at 2 cents and wheat at 12 cents in one hundred years. A national, State or municipal debt renewed from time to time would, at the end of that period, be six times as great as when contracted, altho several times the amount would have been paid in interest.

When one realizes the full significance of a constantly appreciating standard he can easily agree with Alison that the Dark Ages resulted from a failure of the money supply. How can any one view with unconcern the attempt to turn back the tide of civilization by the complete debasement of one-half of the world's money! When I point to the distress which, not suddenly, but gradually, is entering the habitations of our people; when I refer you to the census as conclusive evidence of the unequal distribution of wealth and of increasing tenancy among our people, of whom, in our cities, less than one-fourth now own their homes; when I suggest the possibility of this condition continuing until, passed from a land of independent owners, we become a nation of landlords and tenants, you must tremble for civil liberty itself.

Free government cannot long survive when the thousands enjoy the wealth of the country and the

millions share its poverty in common. Even now you hear among the rich an occasionally exprest contempt for popular government, and among the poor a protest against legislation which makes them "toil that others may reap." I appeal to you to restore justice and bring back prosperity while yet a peaceable solution can be secured. We mourn the lot of unhappy Ireland, whose alien owners drain it of its home-created wealth; but we may reach a condition, if present tendencies continue, when her position at this time will be an object of envy, and some poet may write of our cities as Goldsmith did of the "Deserted Village":

> While scourged by famine from a smiling land,
> The mournful peasant leads his humble band,
> And, while he sinks without one hand to save,
> The country blooms—a garden and a grave.

But, lest I may be accused of reasonless complaining, let me call unimpeachable witnesses who will testify to the truth of my premises and to the correctness of my conclusions.

Jevons says:

"If all nations of the globe were suddenly and simultaneously to demonetize silver and require gold money a revolution in the value of gold would be inevitable."

Giffin, who is probably the most fanatical adherent of the gold standard, says, in his book entitled "The Case Against Bimetalism":

"The primary offender in the matter, perhaps, was Germany, which made a mistake, as I believe, in substituting gold for silver as the standard money of the country. . . . To some extent also Italy has been an offender in this matter, the resumption of specie payments in that country on a gold basis being entirely a work of superfluity; the resumption on a silver basis would have been preferable. . . . No

doubt the pressure on gold would have been more severe than it has been if the United States had not passed the Bland coinage law."

The gentleman from Maryland [MR. RAYNER] said in the opening speech of this debate: "In my opinion there is not a sufficient amount of gold in existence to supply the demands of commerce and the necessities of the world's circulation."

Mr. Balfour, member of Parliament, in a speech recently delivered, said: "Let Germany, India, and the United States try a gold currency and a tremor seizes every one of our commercial magnates. They look forward, in the immediate future, to catastrophe, and feel that the ultimate result may be a slow appreciation of the standard of value, which is perhaps the most deadening and benumbing influence that can touch the enterprise of a nation."

Mr. Goschen, delegate from Great Britain, said at the International Monetary Conference in 1878:

"If, however, other States were to carry on a propaganda in favor of a gold standard and the demonetization of silver, the Indian government would be obliged to reconsider its position and might be forced by events to take measures similar to those taken elsewhere. In that case the scramble to get rid of silver might provoke one of the gravest crises ever undergone by commerce. One or two States might demonetize silver without serious results, but if all demonetize there would be no buyers; and silver would fall in alarming proportions. . . . If all States should resolve on the adoption of a gold standard, the question arose, would there be sufficient gold for the purpose without a tremendous crisis? There would be a fear on the one hand of a depreciation of silver, and one on the other of a rise in the value of gold, and a corresponding fall in the prices of all commodities.

"Italy, Russia, and Austria, whenever they resume specie payments, would require metal, and if all other States went

in the direction of a gold standard, these countries too would be forced to take gold. Resumption on their part would be facilitated by the maintenance of silver as a part of the legal tender of the world. The American proposal for a universal double standard seemed impossible of realization, a veritable Utopia; but the theory of a universal gold standard was Utopian, and indeed involved a false Utopia. It was better for the world at large that the two metals should continue in circulation than that one should be universally substituted for the other."

Thus does an eminent English monometalist denounce the idea of a universal gold standard and foretell its consequences. But we are not dependent for authority upon foreign advocates of a single standard. Read the words of him who for many years was the guiding genius of the Republican party, Hon. James G. Blaine, and say whether he was a lunatic because he described in emphatic words the dangers attendant upon universal monometalism. He said upon the floor of the House, February 7, 1878:

"On the much-vexed and long-mooted question as to a bimetalic or monometalic standard, my own views are sufficiently indicated in the remarks I have made. I believe the struggle now going on in this country and in other countries for a single gold standard would, if successful, produce widespread disaster in and throughout the commercial world.

"The destruction of silver as money and establishing gold as the sole unit of value must have a ruinous effect on all forms of property except those investments which yield a fixed return in money. These would be enormously enhanced in value, and would gain a disproportionate and unfair advantage over every other species of property. If, as the most reliable statistics affirm, there are nearly $7,000,000,000 of coin or bullion in the world, not very unequally divided between gold and silver, it is impossible to strike silver out of existence as money without results which will prove distressing to millions and utterly disastrous to tens of thousands."

Again, he said:

"I believe gold and silver coin to be the money of the Constitution; indeed, the money of the American people, anterior to the Constitution which the great organic law recognized as quite independent of its own existence. No power was conferred on Congress to declare either metal should not be money. Congress has, therefore, in my judgment, no power to demonetize silver any more than to demonetize gold."

Senator Sherman said, in 1869:

"The contraction of the currency is a far more distressing operation than Senators suppose. Our own and other nations have gone through that operation before. It is not possible to take that voyage without the sorest distress. To every person except a capitalist out of debt, or a salaried officer or annuitant, it is a period of loss, danger, lassitude of trade, fall of wages, suspension of enterprise, bankruptcy, and disaster. It means ruin of all dealers whose debts are twice their business capital, though one-third less than their actual property. It means the fall of all agricultural production without any great reduction of taxes. What prudent man would dare to build a house, a railroad, a factory, or a barn with this certain fact before him?"

Let me quote from an apostle of the Democratic faith, whose distinguished services in behalf of his party and his country have won for him the esteem of all. Mr. Carlisle, then a member of the House of Representatives, said, February 21, 1878:

"I know that the world's stock of precious metals is none too large, and I see no reason to apprehend that it will ever be so. Mankind will be fortunate indeed if the annual production of gold and silver coin shall keep pace with the annual increase of population, and industry. According to my views of the subject the conspiracy which seems to have been formed here and in Europe to destroy by legislation and otherwise from three-sevenths to one-half the metalic money of the world is the most gigantic crime of this or any other age. The consummation of such a scheme would ultimately entail more misery upon the human race than all

the wars, pestilences, and famines that ever occurred in the history of the world.

"The absolute and instantaneous destruction of half the entire movable property of the world, including houses, ships, railroads, and other appliances for carrying on commerce, while it would be felt more sensibly at the moment, would not produce anything like the prolonged distress and disorganization of society that must inevitably result from the permanent annihilation of one-half the metalic money of the world."

The junior Senator from Texas [MR. MILLS] never did the party greater service than when, on the 3d of February, 1886, on this floor he denounced, in language, the force and earnestness of which cannot be surpassed, the attempted crime against silver. Let his words be an inspiration now:

"But in all the wild, reckless, and remorseless brutalities that have marked the footprints of resistless power there is some extenuating circumstance that mitigates the severity of the punishment due to crime. Some have been the product of the fierce passions of war, some have come from the antipathy that separates alien races, some from the superstitions of opposing religions.

"But the crime that is now sought to be perpetrated on more than fifty millions of people comes neither from the camp of a conqueror, the hand of a foreigner, nor the altar of an idolator. But it comes from those in whose veins runs the blood of the common ancestry, who were born under the same skies, speak the same language, reared in the same institutions, and nurtured in the principles of the same religious faith. It comes from the cold phlegmatic marble heart of avarice—avarice that seeks to paralyze labor, increase the burden of debt, and fill the land with destitution and suffering, to gratify the lust for gold—avarice surrounded by every comfort that wealth can command, and rich enough to satisfy every want save that which refuses to be satisfied without the suffocation and strangulation of all the labor of the land. With a forehead that refuses to be ashamed it demands of Congress an act that will paralyze all the forces of production, shut out labor from all

employment, increase the burden of debts and taxation, and send desolation and suffering to all the homes of the poor."

Can language be stronger or conclusion more conclusive? What expression can be more forcible than the "most gigantic crime of this or any other age"? What picture more vivid than that painted in the words, "The consummation of such a scheme would ultimately entail more misery upon the human race than all the wars, pestilences, and famines that ever occurred in the history of the world"? What more scathing rebuke could be administered to avarice than that contained in the words of MR. MILLS?

It is from the awful horrors described by these distinguished men, differing in politics, but united in sentiment, that I beg you, sirs, to save your fellow men.

On the base of the monument erected by a grateful people to the memory of the late Senator Hill, of Georgia, are inscribed these words:

"Who saves his country saves himself, and all things saved do bless him. Who lets his country die lets all things die, dies himself ignobly, and all things dying, curse him."

If, sirs, in saving your country you save yourselves and earn the benedictions of all things saved, how much greater will be your reward if your efforts save not your country only but all mankind! If he who lets his country die, brings upon himself the curses of all things dying; in what language will an indignant people express their execration, if your action lead to the enslavement of the great majority of the people by the universal adoption of an appreciating standard!

Let me call your attention briefly to the advantages of bimetalism. It is not claimed that by the use of two metals at a fixed ratio absolute stability can be secured. We only contend that thus the monetary unit will become more stable in relation to other property than under a single standard. If a single standard were really more desirable than a double standard, we are not free to choose gold, and would be compelled to select silver. Gold and silver must remain component parts of the metalic money of the world—that must be accepted as an indisputable fact. Our abandonment of silver would in all probability drive it out of use as primary money; and silver as a promise to pay gold is little, if any, better than a paper promise to pay. If bimetalism is impossible, then we must make up our minds to a silver standard or to the abandonment of both gold and silver.

Let us suppose the worst that has been prophesied by our opponents, namely, that we would be upon a silver standard if we attempted the free coinage of both gold and silver at any ratio. Let us suppose that all our gold goes to Europe and we have only silver. Silver would not be inconvenient to use, because a silver certificate is just as convenient to handle as a gold certificate, and the silver itself need not be handled except where it is necessary for change. Gold is not handled among the people. No one desires to accept any large amount in gold. The fact that the Treasury has always on hand a large amount of gold coin deposited in exchange for gold certificates shows that the paper representative is more desirable than the

metal itself. If, following out the supposition, our gold goes abroad, Europe will have more money with which to buy our exports—cotton and wheat, cattle and hogs.

If, on the other hand, we adopt gold, we must draw it from Europe, and thus lessen their money and reduce the price of our exports in foreign markets. This, too, would decrease the total value of our exports and increase the amount of products which it would be necessary to send abroad to pay the principal and interest which we owe to bondholders and stockholders residing in Europe. Some have suggested the advisability of issuing gold bonds in order to maintain a gold standard. Let them remember that those bonds sold in this country will draw money from circulation and increase the stringency, and sold abroad will affect injuriously the price of our products abroad, thus making a double tax upon the toilers of the United States, who must ultimately pay them.

Let them remember, too, that gold bonds held abroad must some time be paid in gold, and the exportation of that gold would probably raise a clamor for an extension of time in order to save this country from another stringency. A silver standard, too, would make us the trading center of all the silver-using countries of the world, and these countries contain far more than one-half of the world's population. What an impetus would be given to our Western and Southern seaports, such as San Francisco, Galveston, New Orleans, Mobile, Savannah, and Charleston. Then, again, we pro-

duce our silver, and produce it in quantities which would to some extent satisfy our monetary needs.

[Here the hammer fell.]

On motion of MR. HUNTER the time of MR. BRYAN was extended indefinitely.

MR. BRYAN. I thank the gentleman from Illinois and the House.

Our annual product of gold is less than 50 cents per capita. Deduct from this sum the loss which would be occasioned to the gold supply by the closing of our silver mines, which produce gold in conjunction with silver; deduct, also, the amount consumed in the arts, and the amount left for coinage is really inconsiderable. Thus, with a gold standard, we would be left dependent upon foreign powers for our annual money supply. They say we must adopt a gold standard in order to trade with Europe. Why not reverse the proposition and say that Europe must resume the use of silver in order to trade with us? But why adopt either gold or silver alone? Why not adopt both and trade with both gold-using and silver-using countries? The principle of bimetalism is established upon a scientific basis.

The Government does not try to fix the purchasing power of the dollar, either gold or silver. It simply says, in the language of Thomas Jefferson, "The money unit shall stand upon the two metals," and then allows the exchangeable value of that unit to rise or fall according as the total product of both metals decreases or increases in proportion to the demand for money. In attempting to maintain the parity between the two metals at a fixed ratio, the

Government does not undertake the impossible. France for several years did maintain the parity approximately at 15½ to 1 by offering unlimited coinage to both metals at that ratio. It is very common for some people to urge, "You cannot put value into anything by law," and I am sorry to see some proclaim this who know by rich experience how easy it is for the Government to legislate prices up or down.

We were called together to relieve financial distress by legislation. Some propose to relieve the present stringency in the money market by removing the tax on national bank circulation and allowing banks to issue 100 per cent. on their bonds instead of 90 per cent. This legislation would put value into bank stocks by law, because it would add to the profits of the bank, and such a law would probably raise the market price of bonds by increasing the demand for them. I will not discuss the merits of this proposition now. Let those who favor it prepare to justify themselves before their constituents. The New York World of August 3 contained an article encouraging the banks to issue more money under the present law. It showed the profits as follows:

"These bonds are selling now at 109 to 110. At this latter period a $100,000 bond transaction would stand as follows:

$100,000 U. S. 4's at 110, less 1-3 per cent. accrued interest, $109,666 net, would cost.....	$109,666
Less circulation issued on this amount.....	90,000
Making the actual cash investment only...	$ 19,666

On which the bank would receive an income of over 127⅞ per cent. as follows:

Interest on $100,000 4's per annum.....		$4.000
Less tax 1 per cent. on circulation.....	$900	
Less sinking fund to retire premium to be improved at 6 per cent.....	464	
Less expenses	100	
		1,464
Net income		$2,5366

Already a good portion of these bonds held in reserve are coming into the market and soon find their way into the hands of national banks.

If the proposed law is adopted $900 will be taken from the expense column by the repeal of the tax on circulation and $10,000 will be taken from the cost of investment, so that the profits would amount to $3,436 on an investment of $9,666, or more than 33 per cent. If, however, the increased demand for bonds raised the premium to 15 per cent., we could only calculate a little less than $3,436 on an investment of $14,666, or nearly 25 per cent. This they would probably call a fair divide. The bondholder would receive an advantage in the increased premium of, say, $25,000,000, and the national bank would be able to make about double on its investment what it does now. If the premium should increase more than 5 per cent. the bondholder would make more and the bank less. If the premium should not increase that much the bondholder would make less and the bank more.

Let those, I repeat, who favor this plan, be prepared to defend it before a constituency composed of people who are not making 5 per cent. on an average on the money invested in farms or enterprises, and let those who will profit by the law cease to deny the ability of Government to increase the price of property by law. One is almost moved to

tears by the sight of New England manufacturers protesting with indignation against the wisdom or possibility of giving fictitious value to a product, when for the last thirty years they have drained the rest of the country and secured artificial prices by protective tariff laws. Some of our Eastern friends accuse the advocates of free coinage of favoring repudiation.

Repudiation has not been practised much in recent years by the debtor, but in 1869 the Credit Strengthening Act enabled the bondholder to repudiate a contract made with the Government and to demand coin in payment of a bond for which he had given paper and which was payable in lawful money. That act increasing the market value of the bonds gave a profit to many who now join the beneficiaries of the act assuming the District of Columbia debt in vociferous proclamation that "the Government cannot create value." Does not the location of a public building add to the value of adjacent real estate? Do not towns contest the location of a county seat because of the advantage it brings? Does not the use of gold and silver as money increase the value of each ounce of each metal?

These are called precious metals because the production is limited and cannot be increased indefinitely at will. If this Government or a number of governments can offer a market unlimited, as compared with the supply, the bullion value of gold and silver can be maintained at the legal ratio. The moment one metal tends to cheapen, the use falls on it and increases its price, while the decreased

demand for the dearer metal retards its rise and thus the bullion values are kept near to their legal ratio, so near that the variation can cause far less inconvenience and injustice than the variation in the exchangeable value of the unit would inflict under a single standard. The option is always given to the debtor in a double standard.

In fact, the system could not exist if the option remained with the creditor, for he would demand the dearer metal and thus increase any fluctuation in bullion values, while the option in the hands of the debtor reduces the fluctuation to a minimum. That the unit under a double standard is more stable in its relation to all other things is admitted by Jevons and proven by several illustrations. Mr. Giffen tries to avoid the force of the admission by saying that the difference in favor of the double standard is only in the proportion of 2 to 1, and therefore not sufficient to justify its adoption. It would seem that where stability is so important—and it never was so important as to-day, when so many long-time contracts are executed—even a slight difference in favor of the double standard ought to make it acceptable.

We established a bimetalic standard in 1792, but silver, being overvalued by our ratio of 15 to 1, stayed with us and gold went abroad, where mint ratios were more favorable.

I have here a silver coin [exhibiting it] which came from the mint in 1795. It has upon the edge these significant words: "Hundred Cents—One Dollar or Unit." It would seem, therefore, that the weight of the gold dollar was regulated by the

silver dollar, and the gold pieces provided for made multiples of it. In 1834 and in 1837 the alloy was changed and the gold dollar reduced in size in order to correspond to the newly established ratio of 16 to 1. The amount of pure silver in the standard dollar has never been changed since its adoption in 1792.

The ratio of 16 to 1 overvalued gold and our silver went abroad. The silver dollar was worth about 3 cents more than the gold dollar, because it could be coined in France at the ratio of 15½ to 1. Thus during all the period prior to 1873 this country enjoyed bimetalism and, altho at one time we used one metal and at another time another, no statesman arose to demand a single standard. We now have three kinds of bimetalists—those who favor a double standard only by international agreement, those who favor independent action at a changed ratio, and those who favor independent action at the present ratio. Those favoring an international agreement might be again divided into those who favor an agreement by a few nations, those who favor an agreement by many nations, and those who favor it only on condition that all nations would join.

I suppose it would hardly be proper to further divide them into those who really desire an international agreement and those who utilize the possibility of an international agreement to prevent independent action. I am afraid the agreement will not be brought about by those who, like the gentleman from Ohio [Mr. Harter], are willing to try it, but have no faith in its permanency; nor will it

receive much aid, I fear, from the gentleman from New York [Mr. Hendrix], who said on last Saturday:

"I predict to you that inside of three months—before this Congress meets again—if you repeal this Sherman law and adjourn, England will make proposals to this country to come into a monetary conference and see what can be done for the sake of her ward India."

Less than five minutes before he had pierced the veil of the future with prophetic ken and declared:

"The moving finger of Time, down from the days when gold started in the race for first place to this moment, has pointed to a single unit of value. It is our destiny. It will triumph in this Hall—perhaps not in this Congress nor in your day; but it is going to become the financial policy of this country just as sure as to-morrow morning's sun will rise."

Any hope of bimetalism there?

What is the prospect for the establishment of international bimetalism? I would be glad to see the unlimited coinage of gold and silver at a fixt ratio among the nations, but how is such an agreement to be secured? The gentleman from Maryland [Mr. Rayner] says the unconditional repeal of the Sherman law will bring England to terms. Is it impossible to extract a lion's teeth without putting your head in his mouth? Is it not a dangerous experiment to join England in a single standard in order to induce her to join us in a double standard? International agreement is an old delusion and has done important duty on many previous occasions.

The opponents of the Bland law in 1878 were waiting for international bimetalism. Mr. Cleveland mentioned the prospect of it in his message in 1885, and again this year. It was a valuable weapon

in 1890, when the Sherman bill was passed and the Brussels conference was called in time to carry us over the last Presidential election. We are still waiting, and those who are waiting most patiently who favor a gold standard. Are we any nearer to an international agreement than we were fifteen years ago? The European nations wait on England, and she refused within a year to even consider the adoption of the double standard. Can we conquer her by waiting? We have tried the Fabian policy.

Suppose we try bringing her to terms by action. Let me appeal to your patriotism. Shall we make our laws dependent upon England's action and thus allow her to legislate for us upon the most important of all questions? Shall we confess our inability to enact monetary laws? Are we an English colony or an independent people? If the use of gold alone is to make us slaves, let us use both metals and be free. If there be some living along the Eastern coast—better acquainted with the beauties of the Alps than with the grandeur of the Rockies, more accustomed to the sunny skies of Italy than to the invigorating breezes of the Mississippi Valley—who are not willing to trust their fortunes and their destinies to American citizens, let them learn that the people living between the Alleghanies to the Golden Gate are not afraid to cast their all upon the Republic and rise or fall with it.

One hundred and seventeen years ago the liberty bell gave notice to a waiting and expectant people that independence had been declared. There may be doubting, trembling ones among us now, but, sirs,

I do not overestimate it when I say that out of twelve millions of voters, more than ten millions are waiting, anxiously waiting, for the signal which shall announce the financial independence of the United States. [Applause.] This Congress cannot more surely win the approval of a grateful people than by declaring that this nation, the grandest which the world has ever seen, has the right and the ability to legislate for its own people on every subject, regardless of the wishes, the entreaties, or the threats of foreign powers. [Applause.]

Perhaps the most important question for us to consider is the question of ratio. Comparatively few people in this country are in favor of a gold standard, and no national party has ever advocated it. Comparatively few, also, will be deceived by the promise of international bimetalism annually held out to us. Among those in favor of bimetalism, and in favor of independent action on the part of the United States, there is, however, an honest difference of opinion as to the particular ratio at which the unlimited coinage of gold and silver should be undertaken. The principle of bimetalism does not stand upon any certain ratio, and may exist at 1 to 30 as well as at 1 to 16.

In fixing the ratio we should select that one which will secure the greatest advantage to the public and cause the least injustice. The present ratio, in my judgment, should be adopted. A change in the ratio could be made (as in 1834) by reducing the size of the gold dollar or by increasing the size of the silver dollar, or by making a change in the weight of both dollars. A larger silver dollar

would help the creditor. A smaller gold dollar would help the debtor. It is not just to do either, but if a change must be made the benefit should be given to the debtor rather than to the creditor.

Let no one accuse me of defending the justness of any change; but I repeat it, if we are given a choice between a change which will aid the debtor by reducing the size of his debt and a change which will aid the creditor by increasing the amount which he is to receive, either by increasing the number of his dollars or their size, the advantage must be given to the debtor, and no man during this debate, whatever may be his private wish or interest, will advocate the giving of the advantage to the creditor.

To illustrate the effect of changing the ratio let us take, for convenience, the ratio of 24 to 1, as advocated by some. We could make this change by reducing the weight of the gold dollar one-third. This would give to the holders of gold an advantage of some $200,000,000, but the creditors would lose several billions of dollars in the actual value of their debts. A debt contracted before 1873 would not be scaled, because the new gold dollar would purchase as much as the old gold dollar would in 1873. Creditors, however, whose loans have been made since that time would suffer, and the most recent loans would show the greatest loss. The value of silver bullion has only fallen in relation to gold. But the purchasing power of one ounce of silver has varied less since 1873 than has the purchasing power of one ounce of gold, which would indicate that gold had risen.

If, on the other hand, the ratio is changed by increasing the size of the silver dollar, it would be necessary to recoin our silver dollars into dollars a half larger, or we would have in circulation two legal tender silver dollars of different sizes. Of the two plans it would be better, in my judgment, to keep both dollars in circulation together, tho unequal in weight, rather than to recoin the lighter dollars. The recoinage of more than 500,000,000 dollars, or the bullion representing them, would cause a shrinkage of about $170,000,000 or one-third of our silver money; it would cause a shrinkage of nearly one-sixth of our metalic money and of more than one-tenth of our total circulation. This contraction would increase our debts more than a billion dollars and decrease the nominal value of our property more than five billions.

A change in the ratio made by increasing the size of the silver dollar as above suggested would also decrease by one-third the number of dollars which could be coined from the annual product of silver. If, as Mr. Carlisle has said, the supply of metal, both gold and silver, is none too large to keep pace with population, the increase in the weight of each dollar would make the supply to that extent deficient. A change in ratio, whether secured by decreasing the gold dollar or by increasing the silver dollar, would probably make an international agreement more difficult, because nearly all of the silver coin now in existence circulates at a ratio less than ours.

If the change should be made in this country by increasing the size of the silver dollar and an inter-

national agreement secured upon the new ratio, to be effected by other nations in the same way, the amount of money in the world, that is metalic money, would suffer a contraction of more than $1,000,000,000, to the enormous injury of the debtor class and to the enormous advantage of the creditor class. If we believe that the value of gold has risen because its supply has not increased as fast as the demand caused by favorable legislation, then it would be unfair to continue this appreciation by other legislation favorable to gold. It would be a special injustice to the mine owner and to the farmer, whose products have fallen with silver, to make perpetual the injunction against their prosperity.

We often hear our opponents complain of the "cupidity of the mine owner." Let us admit that the mine owner is selfish, and that he will profit by the increased price of silver bullion. Let us, for the sake of argument, go further, and accuse him of favoring the free coinage of silver solely for the purpose of increasing the price of his product. Does that make him worse than other men? Is not the farmer selfish enough to desire a higher price for wheat? Is not the cotton grower selfish enough to desire a higher price for his cotton? Is not the laboring man selfish enough to desire higher wages? And, if I may be pardoned for the boldness, are not bankers and business men selfish enough to ask for legislation at our hands which will give them prosperity? Was not this extraordinary session called in order to bring back prosperity to our business men?

Is it any more important that you should keep a mercantile house from failing than that you should keep a mine from suspending? Are those who desire free coinage of silver in order that the barren wastes should be made to "blossom like the rose" any worse than those who want the Sherman law repealed in order to borrow foreign gold and retire clearing house certificates? There is a class of people whose interest in financial legislation is too often overlooked. The money-loaner has just as much interest in the rise in the value of his product —money—as farmers and miners have in the increased price of their products.

The man who has $10,000 in money becomes worth $20,000 in reality when prices fall one-half. Shall we assume that the money-lenders of this and other countries ignore the advantage which an appreciated currency gives to them and desire it simply for the benefit of the poor man and the laborer? What refining influence is there in their business which purges away the dross of selfishness and makes pure and patriotic only their motives? Has some new dispensation reversed the parable and left Lazarus in torment while Dives is borne aloft in Abraham's bosom?

But is the silver miner after all so selfish as to be worthy of censure. Does he ask for some new legislation or for some innovation inaugurated in his behalf? No. He pleads only for the restoration of the money of the fathers. He asks to have given back to him a right which he enjoyed from 1792 to 1873. During all those years he could deposit his silver bullion at the mints and receive full legal-

tender coins at the rate of $1.29 for each ounce of silver, and during a part of the time his product could be converted into money at even a higher price. Free coinage can only give back to him what demonetization took away. He does not ask for a silver dollar redeemable in a gold dollar, but for a silver dollar which redeems itself.

If the bullion value of silver has not been reduced by hostile legislation, the free coinage of silver at the present ratio can bring to the mine owner no benefit, except by enabling him to pay a debt already contracted with less ounces of silver. If the price of his product has been reduced by hostile legislation, is he asking any more than we would ask under the same circumstances in seeking to remove the oppressive hand of the law? Let me suggest, too, that those who favor an international agreement are stopt from objecting to the profits of the silver mine owner, because an international agreement could only be effected at some ratio near to ours, probably 15½ to 1, and this would just as surely inure to the benefit of the owner of silver as would free coinage established by the independent action of this country.

If our opponents were correct in asserting that the price of silver bullion could be maintained at 129 cents an ounce by international agreement, but not by our separate action, then international bimetalism would bring a larger profit to the mine owner than the free coinage of silver by this country could. Let the international bimetalist, then, find some better objection to free coinage than that based on the mine owner's profit.

But what is the mine owner's profit? Has any one told you the average cost of mining an ounce of silver? You have heard of some particular mine where silver can be produced at a low cost, but no one has attempted to give you any reliable data as to the average cost of production. I had a letter from Mr. Leech when he was Director of the Mint, saying that the Government is in possession of no data in regard to the cost of gold production and none of any value in regard to silver. No calculation can be made as to the profits of mining which does not include money spent in prospecting and in mines which have ceased to pay, as well as those which are profitably worked.

When we see a wheel of fortune with twenty-four paddles, see those paddles sold for 10 cents a piece, and see the holder of the winning paddle draw $2, we do not conclude that money can be profitably invested in a wheel of fortune. We know that those who bought expended altogether $2.40 on the turn of the wheel, and that the man who won only received $2; but our opponents insist upon estimating the profits of silver mining by the cost of the winning paddle. It is safe to say that taking the gold and silver of the world—and it is more true of silver than of gold—every dollar's worth of metal has cost a dollar. It is strange that those who watch so carefully lest the silver miner shall receive more for his product than the bare cost of production ignore the more fortunate gold miner.

Did you ever hear a monometalist complain because a man could produce 25.8 grains of gold, .9 fine, at any price whatever, and yet take it to our

mint and have it stamped into a dollar with full legal tender qualities? I saw at the World's Fair a few days ago a nugget of gold, just as it was found, worth over $3,000. What an outrage that the finder should be allowed to convert that into money at such an enormous profit! And yet no advocate of honest money raises his hand to stop that crime.

The fact is that the price of gold and silver does not depend upon the cost of production, but upon the law of supply and demand. [Applause.] It is true that production will stop when either metal cannot be produced at a profit; but so long as the demand continues equal to the supply the value of an ounce of either metal may be far above the cost of production. With most kinds of property a rise in price will cause increased production; for instance, if the price of wheat rises faster than the price of other things, there will be a tendency to increased production until the price falls; but this tendency cannot be carried out in the case of the precious metals, because the metal must be found before it can be produced, and finding is uncertain.

Between 1800 and 1849 an ounce of gold or silver would exchange for more of other things than it would from 1849 to 1873, yet during the latter period the production of both gold and silver greatly increased. It will be said that the purchasing power of an ounce of metal fell because of the increased supply; but that fall did not check production, nor has the rise in the purchasing power of an ounce of gold since 1873 increased the production. The production of both gold and silver

is controlled so largely by chance as to make some of the laws applicable to other property inapplicable to the precious metals. If the supply of gold decreases without any diminution of the demand the exchangeable value of each ounce of gold is bound to increase, altho the cost of producing the gold may continue to fall.

Why do not the advocates of gold monometalism recognize and complain of the advantage given to gold by laws which increase the demand for it and, therefore, the value of each ounce? Instead of that they confine themselves to the denunciation of the silver-mine owner. I have never advocated the use of either gold or silver as the means of giving employment to miners, nor has the defense of bimetalism been conducted by those interested in the production of silver. We favor the use of gold and silver as money because money is a necessity and because these metals, owing to special fitness, have been used from time immemorial. The entire annual supply of both metals, coined at the present ratio, does not afford too large a sum of money.

If, as is estimated, two-thirds of the $130,000,000 of gold produced annually are consumed in the arts, only $46,000,000—or less than we need for this country alone—are left for coinage. If one-sixth of the $185,000,000 of silver produced annually is used in the arts, $155,000,000 are left for coinage. India has been in the habit of taking about one-third of that sum. Thus the total amount of gold and silver annually available for all the people of all the world is only about $200,000,000, or about four times what we need in this country to keep

pace with increasing population. And as population increases the annual addition to the money must also increase.

The total sum of metalic money is a little less than $8,000,000,000. The $200,000,000 per annum is about two and a half per cent. on the total volume of metalic money, taking no account of lost coins and shrinkage by abrasion. To quote again the language of Mr. Carlisle:

"Mankind will be fortunate indeed if the annual production of gold coin shall keep pace with the annual increase of population, commerce and industry."

An increase of one-third in the weight of the silver dollar by an international agreement would reduce by 50,000,000 the number of dollars which could be coined from the annual product of silver, which would amount to a decrease of about one-fourth of the entire increase of metalic money, while the abandonment of silver entirely would destroy three-quarters of the annual increase in metalic money, or possibly all of it, if we take into consideration the reduction of the gold supply by the closing of gold-producing silver mines.

Thus it is almost certain that without silver the sum of metalic money would remain stationary, if not actually decrease, from year to year, while population increases and new enterprises demand, from time to time, a larger sum of currency. Thus it will be seen that the money question is broader than the interest of a few mine owners. It touches every man, woman, and child in all the world, and affects those in every condition of life and society.

The interest of the mine owner is incidental. He profits by the use of silver as money just as the gold miner profits by the use of gold as money; just as the newspaper profits by the law compelling the advertising of foreclosures; just as the seaport profits by the deepening of its harbor; just as the horse-seller would profit by a war which required the purchase of a large number of horses for cavalry service, or just as the undertaker would profit by the decent burial of a pauper at public expense.

All of these receive an incidental benefit from public acts. Shall we complain if the use of gold and silver as money gives employment to men, builds up cities and fills our mountains with life and industry? Shall we oppress all debtors and derange all business agreements in order to prevent the producers of money metals from obtaining for them more than actual cost? We do not reason that way in other things; why suppress the reason in this matter because of cultivated prejudices against the white metal? But what interest has the farmer in this subject, you may ask. The same that every laboring man has in a currency sufficient to carry on the commerce and business of a country. The employer cannot give work to men unless he can carry on the business at a profit, and he is hampered and embarrassed by a currency which appreciates because of its insufficiency.

The farmer labors under a double disadvantage. He not only suffers as a producer from all those causes which reduce the price of property, but he is thrown into competition with the products of India. Without Indian competition his lot would

be hard enough, for if he is a land owner he finds his capital decreasing with an appreciating standard, and if he owes on the land he finds his equity of redemption extinguished. The last census shows a real estate mortgage indebtedness in the five great agricultural States—Illinois, Iowa, Missouri, Kansas, and Nebraska—of more than one billion of dollars. A rising standard means a great deal of distress to these mortgagors. But as I said, the producers of wheat and cotton have a special grievance, for the prices of those articles are governed largely by the prices in Liverpool, and as silver goes down our prices fall, while the rupee price remains the same. I quote from the agricultural report of 1890, page 8:

"The recent legislation looking to the restoration of the bimetalic standard of our currency, and the consequent enhancement of the value of silver, has unquestionably had much to do with the recent advance in the price of cereals. The same cause has advanced the price of wheat in Russia and India, and in the same degree reduced their power of competition. English gold was formerly exchanged for cheap silver and wheat purchased with the cheaper metal was sold in Great Britain for gold. Much of this advantage is lost by the appreciation of silver in those countries. It is reasonable, therefore, to expect much higher prices for wheat than have been received in recent years."

Mr. Rusk's reasoning is correct. Shall we by changing the ratio fix the price of wheat and cotton at the present low price? If it is possible to do so it is no more than fair that we restore silver to its former place, and thus give back to the farmer some of his lost prosperity. Can silver be maintained on a parity with gold at the present ratio? It has been shown that if we should fail and our effort should

result in a single silver standard it would be better for us than the adoption of the gold standard—that is, that the worst that could come from the attempt would be far better than the best that our opponents could offer us.

It has been shown that dangers and disadvantages attend a change of ratio. It may now be added that no change in the ratio can be made with fairness or intelligence without first putting gold and silver upon a perfect equality in order to tell what the natural ratio is. If a new ratio is necessary, who can tell just what that ratio ought to be? Who knows to what extent the divergence between gold and silver is due to natural laws and to what extent it is due to artificial laws? We know that the mere act of India in suspending free coinage, altho she continues to buy and coin on government account, reduced the price of silver more than 10 cents per ounce. Can any one doubt that the restoration of free coinage in that country would increase the bullion price of silver? Who doubts that the free coinage of silver by the United States would increase its bullion price?

The only question is how much. Is it only a guess, for no one can state with mathematical precision what the rise would be. The full use of silver, too, would stop the increased demand for gold, and thus prevent any further rise in its price. It is because no one can speak with certainty that I insist that no change in the ratio can be intelligently made until both metals are offered equal privileges at the mint. When we have the free and unlimited coinage of gold and silver at the present

ratio, then, and then only, can we tell whether any of the apparent fall in the bullion price of silver is due to circumstances over which we have no control, and if so, how much? If this experiment should demonstrate the necessity for a change of ratio it can be easily made, and should be made in such a way as to cause the least injury to society. But we can, in my judgment, maintain the parity at the present ratio. I state this without hesitation, notwithstanding the fact that our opponents do not disguise the contempt which they feel for one who can believe this possible. If the past teaches anything it teaches the possibility of this country maintaining the parity alone. The Royal Commission of England stated in its report that France did maintain the parity at 15½ to 1, altho she has not half our population or enterprise. During the years when her mint laws controlled the price of gold and silver bullion the changes in the relative production of gold and silver were greater than they have been since. At one time before 1873 the value of the silver product was related to the value of the gold product as 3 to 1, while at another time the relation was reversed, and the production of gold to silver was as 3 to 1.

No such changes have occurred since; and the present value of the silver product is only 1½ to 1 of gold. Much of the prejudice against silver is due to the fact that it has been falling as compared to gold. Let it begin to rise and it will become more acceptable as a money metal. Goschen, at the Paris Conference, very aptly stated the condition when he said:

"At present there is a vicious circle. States are afraid of employing silver on account of the depreciation, and the depreciation continues because States refuse to employ it."

Let that "vicious circle" be broken and silver will resume its rightful place. We believe, in other words, that the opening of our mints to the free and unlimited coinage of gold and silver at 16 to 1 would immediately result in restoring silver to the coinage value of $1.29 per ounce, not only here, but everywhere. That there could be no difference between the dollar coined and the same weight of silver uncoined, when one could be exchanged for the other, needs no argument.

We do not believe that the gold dollar would go to a premium, because it could not find a better coinage ratio elsewhere, and because it could be put to no purpose for which a silver dollar would not be as good. If our ratio were 1 to 14 our gold would, of course, be exchanged for silver; but with our ratio of 16 to 1 gold is worth more here than abroad, and foreign silver would not come here, because it is circulating at home at a better ratio than we offer.

We need not concern ourselves, therefore, about the coin silver. All that we have to take care of is the annual product from the mines, about 40 per cent. of which is produced in this country. Under the Sherman law we furnish a market for about one-third of the world's annual product. I believe about one-sixth is used in the arts, which would leave about one-half for all the rest of the world. India has suspended free coinage temporarily, in anticipation of the repeal of the Sherman law. The

Herschell report expressly states that the action was necessary, because no agreement with the United States could be secured. The language is as follows:

"In a dispatch of the 31st of June. 1892. the government of India exprest the deliberate opinion that, if it became clear that the Brussels conference was unlikely to arrive at a satisfactory conclusion, and if a direct agreement between India and the United States were found to be unattainable, the government of India should at once close their mints to the free coinage of silver and make arrangements for the introduction of a gold standard."

There is no doubt of the restoration of free coinage in India if this Government takes the lead, and with India taking the usual amount, but one-sixth of the annual supply if left for the other silver-using countries. There can be no flood of silver, nor will prices rise to any considerable extent—except the price of silver itself and a few of the staple products of agriculture which have fallen with silver because of India's competition. General prices cannot rise unless the total number of dollars increases more rapidly than the need for dollars, which has been shown to be impossible with the present supply. The danger is that, taking all the gold and all the silver, we will not have enough money, and that there will still be some appreciation in the standard of value.

To recapitulate, then, there is not enough of either metal to form the basis for the world's metalic money; both metals must therefore be used as full legal tender primary money. There is not enough of both metals to more than keep pace with the increased demand for money; silver cannot be

retained in circulation as a part of the world's money if the United States abandons it. This nation must, therefore, either retain the present law or make some further provision for silver. The only rational plan is to use both gold and silver at some ratio with equal privileges at the mint. No change in the ratio can be made intelligently until both metals are put on an equality at the present ratio. The present ratio should be adopted if the parity can be maintained; and, lastly, it can be.

If these conclusions are correct what must be our action on the bill to unconditionally repeal the Sherman law? The Sherman law has a serious defect; it treats silver as a commodity rather than as a money, and thus discriminates between silver and gold. The Sherman law was passed in 1890 as a substitute for what was known as the Bland law. It will be remembered that the Bland law was forced upon the silver men as a compromise, and that the opponents of silver sought its repeal from the day it was passed. It will also be remembered that the Sherman law was in like manner forced upon the silver men as a compromise, and that the opponents of silver have sought its repeal ever since it became a law. The law provides for the compulsory purchase of 54,000,000 ounces of silver per year, and for the issue of Treasury notes thereon at the gold value of the bullion.

These notes are a legal tender and are redeemable in gold or silver at the option of the Government. There is also a clause in the law which states that it is the policy of this Government to maintain the parity between the metals. The Administration,

it seems, has decided that the parity can only be maintained by violating a part of the law and giving the option to the holder instead of to the Government. Without discussing the administration of the law let us consider the charges made against it.

The main objection which we heard last spring was that the Treasury notes were used to draw gold out of the Treasury. If that objection were a material one the bill might easily be amended so as to make the Treasury notes hereafter issued redeemable only in silver, like the silver certificates issued under the Bland law. But the objection is scarcely important enough for consideration. While the Treasury notes have been used to draw out gold, they need not have been used for that purpose, for we have $346,000,000 worth of greenbacks with which gold can be drawn, so long as the Government gives the option to the holder. If all of the Treasury notes were destroyed the greenbacks are sufficient to draw out the $100,000,000 reserve three times over, and then they can be reissued and used again. To complain of the Treasury notes while the greenbacks remain is like finding fault because the gate is open when the whole fence is down, and reminds one of the man who made a box for his feline family, and cut a big hole for the cat to go in at and a little hole for the kittens to go in at, forgetting that the large hole would do for cats of all sizes.

Just at this time the law is being made the scapegoat upon which all our financial ills are loaded, and its immediate and unconditional repeal

is demanded as the sole means by which prosperity can be restored to a troubled people.

The main accusation against it now is that it destroys confidence, and that foreign money will not come here, because the holder is afraid that we will go to a silver standard. The exportation of gold has been pointed to as conclusive evidence that frightened English bondholders were throwing American securities upon the market and selling them to our people in exchange for gold. But now gold is coming back faster than it went away, and still we have the Sherman law unrepealed. Since that theory will not explain both the export and import of gold, let us accept a theory which will. The balance of trade has been largely against us during the last year, and gold went abroad to pay it, but now our exportation of breadstuffs has increased and the gold is returning. Its going was aggravated by the fact that Austria-Hungary was gathering in gold for resumption and was compelled to take a part from us. Instead of using that export of gold as a reason for going to a gold basis, it ought to make us realize the danger of depending solely upon a metal which some other nation may deprive us of at a critical moment.

Mr. Cannon of Illinois. Will the gentleman permit me to interrupt him?

Mr. Bryan. Certainly.

Mr. Cannon of Illinois. I am in complete harmony with what my friend is saying now. I ask him if he will allow me to request him not to omit to state that in the twelve months ending June 30 last this same balance of trade that was against

us not only took the gold of the United States, but nearly $17,000,000 of silver as well.

MR. BRYAN. I think the statement made by the gentleman is correct.

The Sherman law fails utterly to account for present stringency. Let me suggest a more reasonable cause for the trouble. Last spring an attempt was made to secure the unconditional repeal of the Sherman law. We had no panic then, but the same forces which have always opposed any legislation favorable to silver demanded that the purchase of bullion should stop. Some who believe that 15 per cent. reserve makes a bank safe became frightened lest a 25 or 30 per cent. reserve might not be sufficient to make the Government safe, and wanted an issue of gold bonds. The great argument used in favor of both these propositions was that money was being drawn from the Treasury and sent to Europe; that confidence was being destroyed and that a panic would follow. They emphasized and magnified the evils which would follow the departure of gold; they worked themselves and their associates into a condition of fright which did cause financial stringency. Like the man who innocently gives the alarm of fire in a crowded hall, they excited a panic which soon got beyond control.

The trouble now is that depositors have withdrawn their deposits from the banks for fear of loss, and the banks are compelled to draw in their loans to protect their reserves, and thus men who do business upon borrowed capital are crippled. The people have not lost faith in the Government or in the Government's money. They do not refuse

silver or silver certificates. They are glad enough to get any kind of money. We were told last spring that gold was going to a premium, but recently in New York City men found a profitable business in the selling of silver certificates of small denominations at 2 per cent. premium, and on the 5th of this month there appeared in the New York Herald and the New York Times this advertisement:

WANTED—SILVER DOLLARS.—We desire to purchase at a premium of ¾ per cent., or $7.50 per thousand, standard silver dollars, in sums of $1,000 or more, in return for our certified checks payable through the clearing-house.

ZIMMERMANN & FORSHAY,
Bankers, 11 *Wall Street.*

About the same time the New York police force was paid in $20 gold pieces because of the scarcity of other kinds of money. How many of the failing banks have obeyed the law in regard to reserve? How many have crippled themselves by loaning too much to their officers and directors? The situation can be stated in a few words: money cannot be secured to carry on business because the banks have no money to loan; banks have no money to loan because the depositors have withdrawn their money; depositors have withdrawn their money because they fear the solvency of the banks; enterprises are stagnant because money is not in circulation.

Will a repeal of the Sherman law cure these evils? Can you cure hunger by a famine? I know that there are some who tell us that we have plenty of money. If I may be pardoned for a personal allusion, their attitude reminds me of a remark

made by my father-in-law just after he intrusted his daughter to my care, "William," said he, laying his hand affectionately on my head, "while I have we shall not *both* want." Others say, "What is the use of having more money? We cannot get it unless we have something to sell." That is true; but the price of what we sell depends largely upon the amount of money in circulation. How can we pay our debts without selling something, and how can we sell anything unless there is money in circulation to buy with? We need money. The Sherman law supplies a certain amount. Will the stringency be relieved by suspending that issue? If the advocates of repeal would take for their battle cry, "Stop issuing money," instead of "Stop buying silver," would not their purpose be more plain? But they say the repeal of the law will encourage foreign capital to come here by giving assurance that it will be repaid on a gold basis. Can we afford to buy confidence at that price? Can we afford to abandon the constitutional right to pay in either gold or silver in order to borrow foreign gold with the certainty of having to pay it back in appreciated dollars? To my mind, Mr. Speaker, the remedy proposed seems not only dangerous and absurd, but entirely inadequate. Why try to borrow foreign capital in order to induce the people in this country to redeposit their savings in the banks?

Why do not these financiers apply the remedy to the diseased part? If the gentleman from New York [Mr. HENDRIX], to whom I listened with pleasure, and who said, "I have come into this

Hall as a banker, I am here as the president of a national bank,'' desires to restore confidence, let him propose for the consideration of the members a bill to raise, by a small tax upon deposits, a sum sufficient to secure depositors against possible loss; or a bill to compel stockholders to put up security for their double liability; or to prevent stockholders or officers from wrecking a bank to carry on their private business; or to limit the liabilities which a bank can assume upon a given amount of capital, so that there will be more margin to protect its creditors; or a bill to make more severe the punishment for embezzlement, so that a man can not rob a bank of a half-million and escape with five years, and can not be boarded at a hotel by a marshal, while the small thief suffers in a dungeon. Let him propose some real relief and this House will be glad to cooperate with him.

Or, if there is immediate relief necessary in the increased issue of paper money, let our financiers press the suggestion made by the gentleman from Ohio [Mr. JOHNSON], viz., that the holders of Government bonds be allowed to deposit them and draw the face in Treasury notes by remitting the interest and with the power of redeeming the bonds at any time. This will give immediate relief and will save the Government interest on the bonds while the money is out. But no, the only remedy proposed by these financiers at this time, when business is at a standstill and when men are suffering unemployed, is a remedy which will enable them to both control the currency and reap pecuniary profit through its issue.

One of the benefits of the Sherman law, so far as the currency is concerned, is that it compels the issue of a large amount of money annually, and but for this issue the present financial panic would, in my judgment, be far more severe than it is. That we need an annual increase in the currency is urged by Mr. SHERMAN himself in a speech advocating the passage of the Sherman law. On the 5th day of June, 1890, he said in the Senate:

"Under the law of February, 1878, the purchase of $2,000,000 worth of silver bullion a month has by coinage produced annually an average of nearly $3,000,000 per month for a period of twelve years, but this amount, in view of the retirement of the bank notes, will not increase our currency in proportion to our increasing population. If our present currency is estimated at $1,400,000,000, and our population is increasing at the ratio of 3 per cent. per annum, it would require $42,000,000 increased circulation each year to keep pace with the increase of population; but as the increase of population is accompanied by a still greater ratio of increase of wealth and business, it was thought that an immediate increase of circulation might be obtained by larger purchases of silver bullion to an amount sufficient to make good the requirement of bank notes and keep pace with the growth of population. Assuming that $54,000,000 a year of additional currency is needed upon this basis, that amount is provided for in this bill by the issue of Treasury notes in exchange for bullion at the market price."

This amount, by the fall in the price of bullion silver, has been largely reduced. Shall we wipe it out entirely? He insisted that the Sherman law gave to the people more money than the Bland law, and upon that ground its passage was defended before the people. Could it have been passed had it given less than the Bland law? Who would have dared to defend it if it had provided for no money

at all? What provision shall be made for the future? Upon that question our opponents are silent. The bill which they have proposed leaves us with no increased currency provided for.

Some of the advocates of a gold standard, in the defense of their theory, find it necessary to dispute every well-established principle of finance. We are told that as civilization increases credit takes the place of money and that the volume of real money can be diminished without danger. That recalls the experience of the man who conceived the idea that a fish could be made to live without water. As the story goes, he put a herring, fresh from the sea, in a jar of salt water. By removing a little every morning and adding rainwater he gradually accustomed it to fresh water. Then by gradually removing the fresh water he accustomed it to air and finally kept it in a cage like a bird. One day, in his absence, his servant placed a cup of water in the cage in order that the fish might moisten its food; but alas! when the master came home he found that the fish had thoughtlessly put its head into the water and drowned!

From the arguments of some of our opponents we might be led to the conclusion that the time would come when money would not only be unnecessary but really dangerous.

The question, Mr. Speaker, is whether we shall increase our supply of primary money, as we do when we increase our gold and silver, or whether we shall increase our promises to pay real money, as we do when we increase national bank notes.

MR. BLAND. Will the gentleman permit a suggestion?

MR. BRYAN. Yes, sir.

MR. BLAND. The Treasury notes issued under the law for the purchase of the silver bullion are legal tender for all debts, public and private, and not like bank notes, mere credit money.

MR. BRYAN. I understand that. I say they are primary money; altho if it were construed to mean that they were merely a promise to pay gold, then they would be simply credit money to that extent.

MR. BLAND. The distinction I wish to draw is this, that those Treasury notes issued in purchase of silver bullion are legal tender while a bank note is not.

MR. BRYAN. And the distinction is a very just one, and a legal tender dollar is the better.

The larger the superstructure of credit, as related to the basis of metal, the more unsubstantial our system. If we present a bank note for payment we receive a greenback; if we present a greenback for payment, the treasurer has a right to pay in silver dollars, and now our opponents want it understood that a silver dollar is only a promise to pay a gold dollar. Is that sound money?

No, Mr. Speaker; if metalic money is sound money, then we who insist upon a base broad enough to support a currency redeemable in coin on demand, are the real friends of sound money, and those are "dangerous fiatists" who would make the metalic base so narrow as to compel the Government to abandon it for the preservation of its people. If all the currency is built upon the small

basis of gold those who hold the gold will be the masters of the situation. We have a right to demand that the future financial policy shall be a part of the repealing act, so that we may choose between it and what we have and reject it if it is less favorable than the present law. And I may add in the language adopted by the bimetalic league a few days ago—

"The refusal of the opponents of bimetalism to propose any substitute for the present law, or to elaborate any plan for the future, indicates either an ignorance of our financial needs or an unwillingness to take the public into their confidence."

But, sir, more serious than any other objection which can be made to the unconditional repeal of the Sherman law is the incontrovertible fact that a suspension of silver would tend to lower the price of silver bullion and thus make the restoration of bimetalism more difficult. That this will be the effect is proven not only by reason but by the utterances of Mr. Herschell's committee in discussing the finances of India. That report says:

"In December last, a bill was introduced in the Senate to repeal the Sherman act, and another to suspend purchases under it. Whether any such measures will pass into law it is impossible to foretell, but it must be regarded as possible; and although, in the light of past experience, predictions on such a subject must be made with caution, it is certainly probable that the repeal of the Sherman act would be followed by a heavy fall in the price of silver."

The first question for us to decide, then, is: are we in favor of bimetalism or a universal gold standard? If we are in favor of bimetalism, the next question is will a fall in the bullion price of silver as measured by gold help or hinder bimetalism? We are

told by those who want a gold standard that it will help bimetalism; but the query is, if it would, "Why do they favor it?" It is sufficient to arouse suspicion when every advocate of gold monometalism favors unconditional repeal, and the more emphatic his advocacy of gold the more earnest his desire for repeal. Is any subsequent legislation in behalf of silver intended? If so, why not propose it now? What money loaner, loaning upon a mortgage, would be willing to let the money go upon a promise that the mortgage should be delivered next week? Or what business man would cancel an obligation to-day on the promise of having the money paid to-morrow? Shall we be more careless in protecting the sacred interests of our constituents than a business man is in transacting his business?

What excuse can we give to our people for releasing what we have with the expectation of getting something in the future when the advocates of repeal boldly demand, upon this floor, the adoption of a universal gold standard, and predict that its coming is as certain as the rising of to-morrow's sun. Read the utterances of these leaders in the crusade against silver. Read the famous article of the distinguished gentleman from New York [Mr. Cockran]. Read the article in the *Forum* of last February, from the pen of Hon. George Fred Williams, who, in the last Congress, spoke for those demanding unconditional repeal:

"In the efforts which have thus far been made towards a repeal, a single question has been repeated by the silver men so often as to give a plain indication to the situation. What, it is asked, do you propose to put in place of silver

purchases? There never was a time more opportune to answer definitely this question with the single word, nothing."

Let me join issue upon this question, and say that the time will never come in this country when that word "nothing" will be accepted as a satisfactory answer.

They tell us that our platform demands repeal, but does it demand repeal only? Shall we take away the "cowardly makeshift" before we restore the real thing for which that "temporary expedient" was substituted? As well denounce one kind of food because not the most nourishing and then refuse all food to the patient. They shall not be permitted to thus mutilate the platform. No such inexcusable attempt at garbling has been witnest since the minister took from the sentence "Let him which is on the house-*top not come down* to take anything out of his house" the words "top not come down," and inveighed against the feminine habit of wearing the hair in a knot on the top of the head. They demand of us unconditional repeal. They demand that we give up all that we have in the way of silver legislation before we know what we are to receive. Shall we surrender on these terms?

Rollin tells us that the third Punic war was declared by the Romans and that a messenger was sent to Carthage to announce the declaration after the army had started on its way. The Carthagenians at once sent representatives to treat for peace. The Romans first demanded the delivery of three hundred hostages before they would enter into

negotiations. When three hundred sons of the nobles had been given into their hands they demanded the surrender of all the arms and implements of war before announcing the terms of the treaty. The conditions were sorrowfully but promptly complied with, and the people who boasted of a Hannibal and a Hamilcar gave up to their ancient enemies every weapon of offense and defense. Then the Roman consul, rising up before the humiliated representatives of Carthage, said:

"I can not but commend you for the readiness with which you have obeyed every order. The decree of the Roman Senate is that Carthage shall be destroyed."

Sirs, what will be the answer of the people whom you represent, who are wedded to the "gold and silver coinage of the Constitution," if you vote for unconditional repeal and return to tell them that you were commended for the readiness with which you obeyed every order, but that Congress has decreed that one-half of the people's metalic money shall be destroyed?

They demand unconditional surrender, do they? Why, sirs, we are the ones to grant terms. Standing by the pledges of all the parties in this country, backed by the history of a hundred years, sustained by the most sacred interests of humanity itself, we demand an unconditional surrender of the principle of gold monometalism as the first condition of peace. You demand surrender! Ay, sirs, you may cry "Peace, peace," but there is no peace. Just so long as there are people here who would chain this country to a single gold standard, there is war—eternal war; and it might just as well be

known now! I have said that we stand by the pledges of all platforms. Let me quote them:

The Populist platform adopted by the national convention in 1892 contained these words:

"We demand free and unlimited coinage of silver and gold at the present legal ratio of 16 to 1."

As the members of that party, both in the Senate and in the House, stand ready to carry out the pledge there made, no appeal to them is necessary.

The Republican national platform adopted in 1888 contains this plank:

"The Republican party is in favor of the use of both gold and silver as money, and condemns the policy of the Democratic administration in its efforts to demonetize silver."

The same party in 1892 adopted a platform containing the following language:

"The American people from tradition and interest favor bimetalism, and the Republican party demands the use of both gold and silver as standard money, such restrictions to be determined by contemplation of values of the two metals, so that the purchasing and debt-paying power of the dollar, whether of silver, gold, or paper, shall be equal at all times.

"The interests of the producers of the country, its farmers and its workingmen, demand that every dollar, paper or gold, issued by the Government, shall be as good as any other. We commend the wise and patriotic steps already taken by our Government to secure an international parity of value between gold and silver for use as money throughout the world."

Are the Republican members of this House ready to abandon the system which the American people favor "from tradition and interest"? Having won a Presidential election upon a platform which condemned "the policy of the Democratic administration in its efforts to demonetize silver," are they

ready to join in that demonetization? Having advocated the Sherman law because it gave an increased use of silver, are they ready to repeal it and make no provisions for silver at all? Are they willing to go before the country confessing that they secured the present law by sharp practise, and only adopted it as an ingenious device for preventing free coinage, to be repealed as soon as the hour of danger was passed?

The Democratic platform of 1880 contained these words:

"Honest money, consisting of gold and silver, and paper convertible into coin on demand."

It would seem that at that time silver was honest money, altho the bullion value was considerably below the coinage value.

In 1884 the Democratic platform contained this plank:

"We believe in honest money, the gold and silver coinage of the Constitution, and a circulating medium convertible into such money without loss."

It would seem that at that time silver was considered honest money.

In 1888 the Democratic party did not express itself on the money question except by saying:

"It renewed the pledge of its fidelity to Democratic faith, and reaffirms the platform adopted by its representatives in the convention of 1884."

Since that platform of 1884 commended silver as an honest money, we must assume that the reaffirming of that platform declared anew that silver was honest money as late as 1888, although at that time its bullion value had fallen still more.

The last utterance of a Democratic national convention upon this subject is contained in the platform adopted at Chicago in 1892. It is as follows:

"We denounce the Republican legislation known as the Sherman act of 1890 as a cowardly makeshift, fraught with possibilities of danger in the future, which should make all of its supporters, as well as its author, anxious for its speedy repeal. We hold to the use of both gold and silver as the standard money of the country, and to the coinage of both gold and silver without discrimination against either metal or charge for mintage, but the dollar unit of coinage of both metals must be of equal intrinsic and exchangeable value or be adjusted through international agreement, or by such safeguards of legislation as shall insure the maintenance of the parity of the two metals, and the equal power of every dollar at all times in the markets and in the payment of debts; and we demand that all paper currency shall be kept at par with and redeemable in such coin. We insist upon this policy as especially necessary for the protection of the farmers and laboring classes, the first and most defenseless victims of unstable money and a fluctuating currency."

Thus it will be seen that gold and silver have been indissolubly linked together in our platforms. Never in the history of the party has it taken a position in favor of a gold standard. On every vote taken in the House and Senate a majority of the party have been recorded not only in favor of bimetalism, but for the free and unlimited coinage of gold and silver at the ratio of 16 to 1.

The last platform pledges us to the use of both metals as standard money and to the free coinage of both metals at a fixt ratio. Does anyone believe that Mr. Cleveland could have been elected President upon a platform declaring in favor of the unconditional repeal of the Sherman law? Can we go back to our people and tell them that, after denouncing for twenty years the crime of 1873,

we have at last accepted it as a blessing? Shall bimetalism receive its deathblow in the House of its friends, and in the very Hall where innumerable vows have been registered in its defense? What faith can be placed in platforms if their pledges can be violated with impunity? Is it right to rise above the power which creates us? Is it patriotic to refuse that legislation in favor of gold and silver which a majority of the people have always demanded? Is it necessary to betray all parties in order to treat this subject in a "nonpartisan" way?

The President has recommended unconditional repeal. It is not sufficient to say that he is honest —so were the mothers, who, with misguided zeal, threw their children into the Ganges. The question is not "Is he honest?" but "Is he right?" He won the confidence of the toilers of this country because he taught that "Public office is a public trust," and because he convinced them of his courage and his sincerity. But are they willing to say, in the language of Job, "Tho He slay me, yet will I trust Him?" Whence comes this irresistible demand for unconditional repeal? Are not the representatives here as near to the people and as apt to know their wishes? Whence comes the demand? Not from the workshop and the farm, not from the workingmen of this country, who create its wealth in time of peace and protect its flag in time of war, but from the middlemen, from what are termed the "business interests," and largely from that class which can force Congress to let it issue money at a pecuniary profit to itself if silver is abandoned.

The President has been deceived. He can no more judge the wishes of the great mass of our people by the expressions of these men than he can measure the ocean's silent depths by the foam upon its waves.

Mr. Powderly, who spoke at Chicago a few days ago in favor of the free coinage of silver at the present ratio and against the unconditional repeal of the Sherman law, voiced the sentiment of more laboring men than have ever addressed the President or this House in favor of repeal. Go among the agricultural classes; go among the poor, whose little is as precious to them as the rich man's fortune is to him, and whose families are as dear, and you will not find the haste to destroy the issue of money or the unfriendliness to silver which is manifested in money centers.

This question can not be settled by typewritten recommendations and suggestions made by boards of trade and sent broadcast over the United States. It can only be settled by the great mass of the voters of this country who stand like the Rock of Gibraltar for the use of both gold and silver.

There are thousands, yes, tens of thousands, aye, even millions, who have not yet "bowed the knee to Baal." Let the President take courage. Muehlbach relates an incident in the life of the great military hero of France. At Marengo the Man of Destiny, sad and disheartened, thought the battle lost. He called to a drummer boy and ordered him to beat a retreat. The lad replied:

"Sire, I do not know how. Dessaix has never taught me retreat, but I can beat a charge. Oh, I can beat a charge that

would make the dead fall into line! I beat that charge at the Bridge of Lodi; I beat it at Mount Tabor; I beat it at the Pyramids; Oh, may I beat it here?

The charge was ordered, the battle won, and Marengo was added to the victories of Napoleon. Oh, let our gallant leader draw inspiration from the street gamin of Paris. In the face of an enemy proud and confident the President has wavered. Engaged in the battle royal between the "money power and the common people" he has ordered a retreat. Let him not be dismayed.

He has won greater victories than Napoleon, for he is a warrior who has conquered without a sword. He restored fidelity in the public service; he converted Democratic hope into realization; he took up the banner of tariff reform and carried it to triumph. Let him continue that greater fight for "the gold and silver coinage of the Constitution," to which three national platforms have pledged him. Let his clarion voice call the party hosts to arms; let him but speak the language of the Senator from Texas, in reply to those who would destroy the use of silver:

"In this hour fraught with peril to the whole country, I appeal to the unpurchased representatives of the American people to meet this bold and insolent demand like men. Let us stand in the breach and call the battle on and never leave the field until the people's money shall be restored to the mints on equal terms with gold, as it was years ago."

Let this command be given, and the air will resound with the tramp of men scarred in a score of battles for the people's rights. Let this command

be given and this Marengo will be our glory and not our shame.

Well has it been said by the Senator from Missouri [MR. VEST] that we have come to the parting of the ways. To-day the Democratic party stands between two great forces, each inviting its support. On the one side stand the corporate interests of the nation, its moneyed institutions, its aggregations of wealth and capital, imperious, arrogant, compassionless. They demand special legislation, favors, privileges, and immunities. They can subscribe magnificently to campaign funds; they can strike down opposition with their all-pervading influence, and, to those who fawn and flatter, bring ease and plenty. They demand that the Democratic party shall become their agent to execute their merciless decrees.

On the other side stands that unnumbered throng which gave a name to the Democratic party and for which it has assumed to speak. Work-worn and dust-begrimed, they make their sad appeal. They *hear of average* wealth increased on every side and *feel the inequality* of its distribution. They see an over-production of everything desired because of the underproduction of the ability to buy. They can not pay for loyalty except with their suffrages, and can only punish betrayal with their condemnation. Altho the ones who most deserve the fostering care of Government, their cries for help too often beat in vain against the outer wall, while others less deserving find ready access to legislative halls.

This army, vast and daily vaster growing, begs

the party to be its champion in the present conflict. It cannot press its claims 'mid sounds of revelry. Its phalanxes do not form in grand parade, nor has it gaudy banners floating on the breeze. Its battle hymn is "Home, Sweet Home," its war cry "equality before the law." To the Democratic party, standing between these two irreconcilable forces, uncertain to which side to turn, and conscious that upon its choice its fate depends, come the words of Israel's second lawgiver: "Choose you this day whom ye will serve." What will the answer be? Let me invoke the memory of him whose dust made sacred the soil of Monticello when he joined

> The dead but sceptered sovereigns who still rule
> Our spirits from their urns.

He was called a demagogue and his followers a mob, but the immortal Jefferson dared to follow the best promptings of his heart. He placed man above matter, humanity above property, and, spurning the bribes of wealth and power, pleaded the cause of the common people. It was this devotion to their interests which made his party invincible while he lived and will make his name revered while history endures. And what message comes to us from the Hermitage? When a crisis like the present arose and the national bank of his day sought to control the politics of the nation, God raised up an Andrew Jackson, who had the courage to grapple with that great enemy, and by overthrowing it, he made himself the idol of the people and reinstated the Democratic party in public confidence. What will the decision be to-day? The

Democratic party has won the greatest success in its history. Standing upon this victory-crowned summit, will it turn its face to the rising or the setting sun? Will it choose blessings or cursings, life or death—which? Which?

III

UNCONDITIONAL REPEAL

Delivered in Congress on Nov. 1, 1893, when it was certain that the purchasing clause of the Sherman act would be repealed. The speech calls attention to the similarity between the bill then before Congress and the bill introduced by Senator Sherman the year before.

MR. SPEAKER: Nothing that can be said at this time will affect the fate of this bill, but those gentlemen who vote for it should do so with a full and clear understanding of what they are doing. We have been told, sir, that the Democratic platform adopted in 1892 demanded the unconditional repeal of the Sherman law. No person has brought into this House a single platform utterance which will bear out that assertion. The platform does not even demand repeal, not to speak of unconditional repeal. It says: "We denounce the Republican legislation known as the Sherman act of 1890 as a cowardly makeshift fraught with possibilities of danger in the future, which should make all of its supporters, as well as its author, anxious for its speedy repeal." Its author does seem to be "anxious for its speedy repeal," and in this desire many of its supporters join with him; but why should a Democratic Congress secure that repeal without first restoring, at least, the law which the Sherman law repealed? Then, too, the denunciation contained in the platform is directed against the whole

law, not simply against the purchase clause. Yet we are urged to support this bill for the unconditional repeal of the purchase clause *only* as a Democratic measure. What is the history of this bill? It is identical in purpose and almost identical in language with a bill introduced by Senator SHERMAN July 14, 1892.

To show the similarity between the bill introduced then by Senator SHERMAN and the bill introduced since by Mr. WILSON, I place the two bills in parallel columns, and indicate by italics the words which appear in both bills:

Fifty-second Congress, first session. S. 3423, introduced in the Senate July 14, 1892, by Mr. SHERMAN.

A bill for the repeal of certain parts of the act directing the purchase of silver bullion and the issue of Treasury notes thereon, and for other purposes, approved July 14, 1890.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That so much of the act entitled "An act directing the purchase of silver bullion and the issue of Treasury notes thereon, and for other purposes," approved July 14, 1890, *as directs the Secretary of the Treasury to purchase, from time to time, silver bullion to the aggregate amount of* 4,500,000 *ounces, or so much*

Fifty-third Congress, first session. H. R. 1, introduced in the House August 11, 1893, by Mr. WILSON.

A bill to repeal a part of an act, approved July 14, 1890, entitled "An act directing the purchase of silver bullion and the issue of Treasury notes thereon, and for other purposes."

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That so much of the act approved July 14, 1890, *entitled "An act directing the purchase of silver bullion and issue of Treasury notes thereon, and for other purposes," as directs the Secretary of the Treasury to purchase, from time to time, silver bullion to the aggregate amount of* 4,500,000 *ounces, or so much*

thereof as may be offered in each month, at the market price thereof, and to issue in payment for such purchases of silver bullion *Treasury notes of the United States is hereby repealed,* to take effect on the 1st day of January, 1893; *Provided,* That this act *shall not* in any way *affect or impair* or change the *legal* qualities, redemption or use of the Treasury notes issued under said act.

thereof as may be offered in each month, at the market price thereof, not exceeding $1 for 371.25 grains of pure silver, *and to issue in payment for such purchases Treasury notes of the United States,* be, and the same *is hereby repealed;* but this repeal *shall not impair* or in any manner *affect* the *legal*-tender quality of the standard silver dollars heretofore coined; and the faith and credit of the United States are hereby pledged to maintain the parity of the standard gold and silver coins of the United States at the present legal ratio, or such other ratio as may be established by law.

Does the Senator from Ohio originate Democratic measures?

The gentlemen who favor this bill may follow the leadership of Senator SHERMAN and call it Democratic; but until he is converted to true principles of finance I shall not follow him, nor will I apply to his financial policy the name of Democracy or honesty. The Wilson bill passed the House, but a majority of the Democrats voted in favor of substituting the Bland law in the place of the Sherman law before they voted for unconditional repeal, showing that they were not for unconditional repeal until Republican votes had deprived them of that which they preferred to unconditional repeal, namely, the Bland law. When the bill in its present

form was reported to the Senate, four of the Democratic members of the Finance Committee opposed the bill and only two Democrats favored it. When the bill passed the Senate, twenty-two Democrats were recorded in favor of the bill and twenty-two against it, and that, too, in spite of the fact that every possible influence was brought to bear to secure Democratic support for the measure. Before a vote was reached thirty-seven Democratic Senators agreed to a compromise, so that this bill does not come to us expressing the free and voluntary desire of the Democratic party.

Not only does unconditional repeal fail to carry out the pledge made in the last national platform, but it disregards the most important part of the financial plank, in not redeeming the promise to maintain "the coinage of both gold and silver, without discrimination against either metal or charge for mintage." That promise meant something. It was a square declaration in favor of bimetalism. The tail to this bill, added in the Senate as an amendment, pretends to promise a future fulfillment of platform pledges. We are not here to promise, but to fulfil. We are not here to renew platform pledges, but to carry them out. But even if it were our duty to postpone bimetalism and record another promise, the Senate amendment eliminates from the platform the important declaration in favor of "the coinage of both gold and silver without discrimination against either metal or charge for mintage." To show the important difference between the Senate amendment and that

part of our platform, I arrange them in parallel columns and designate the discarded words by italics.

DEMOCRATIC PLATFORM.

We hold to the use of both gold and silver as the standard money of the country, and to the coinage of both gold and silver *without discrimination against either metal or charge for mintage*, but the dollar unit of coinage of both metals must be of equal intrinsic and exchangeable value or be adjusted through international agreement, or by such safeguards of legislation as shall insure the maintenance of the parity of the two metals and the equal power of every dollar at all times in the markets and in the payment of all debts.

THE SENATE AMENDMENT.

And it is hereby declared to be the policy of the United States to continue the use of both gold and silver as standard money, and to coin both gold and silver into money of equal intrinsic and exchangeable value, such equality to be secured through international agreement, or by such safeguards of legislation as will insure the maintenance of the parity in value of the coins of the two metals and the equal power of every dollar at all times in the markets and in the payment of debts. And it is hereby further declared that the efforts of the Government should be steadily directed to the establishment of such safe system of bimetalism as will maintain at all times the equal power of every dollar coined or issued by the United States, in the markets and in the payment of debts.

Were those important words stricken out by intention or was it simply an oversight? No, Mr. Speaker, those words were purposely left out because those who are behind the bill never intended to carry out the Democratic platform; and if we can judge their purpose by their acts those who prepared the platform never intended when it was

written that it should be fulfilled after it had secured the suffrage of the American people.

When they had a strike at Homestead some time ago they used force to remedy what they considered their grievances. We said then that the ballot, not the bullet, was the means by which the American people redressed their grievances. What shall we say now when people elected upon a platform and pledged to a principle disregard those pledges when they come to the legislative halls? It is a blow at representative government which we cannot afford to give. We are not sent here because we know more than others and can think for them. We are sent here to carry out the wishes, to represent the interests, and to protect the rights of those who sent us. What defense can we make if this bill is passed? It is not demanded by the people; the farmers and laborers who constitute the great bulk of our people have never asked for it; those who speak for their organizations have never prayed for it.

So far as the laborer has been heard from, he has denounced unconditional repeal; so far as the farmer has been heard from, he has denounced unconditional repeal. Who gave the Eastern capitalists the right to speak for these men. It is a contest between the producers of wealth and those who exchange or absorb it. We have heard a great deal about business interests and business men demanding repeal. Who are the business men? Are not those entitled to that name who are engaged in the production of the necessaries of life? Is the farmer less a business man than the broker,

because the former spends three hundred and sixty-five days in producing a crop which will not bring him over a dollar a day for his labor, while the latter can make ten times the farmer's annual income in one successful bet on the future price of the farmer's product? I protest, Mr. Speaker, against the use of the name business men in such a way as to exclude the largest and most valuable class of business men in the country. Unconditional repeal stops the issue of money. With this law gone, no more silver certificates can be issued, and no more silver bought. There is no law to provide for the issue of greenbacks. We must rely for our additional currency upon our share of the limited supply of gold, and the bank notes which national banks may find it profitable to issue.

Does anybody deny that our currency must increase as our population increases and as our need for money increases? Does any one believe that our need for money can be supplied without affirmative legislation? Is it any more wise to destroy the present means for increasing our currency before a new plan is adopted than it would be to repeal the McKinley tariff act without putting some other revenue measure in its place? Our platform says: "We denounce the McKinley tariff law enacted by the Fifty-first Congress as the culminating atrocity of class legislation," and "we promise its repeal as one of the beneficent results that will follow the action of the people in entrusting power to the Democratic party." We also demanded a tariff for revenue only. Is there any more reason for separating the repeal of the Sherman law from

the enactment of bimetalic legislation than there is for separating the repeal of the McKinley bill from the enactment of a "tariff for revenue only" measure? Having harmonized with Mr. SHERMAN, shall we proceed to harmonize with Mr. McKinley? There are many Republicans who tell us now that the prospect of tariff reduction has destroyed confidence to a greater extent than the Sherman law has.

In order to avoid another manufacturer's panic will it be necessary to abandon another tenet of the Democratic faith and give up all hope of tariff reduction? Unconditional repeal will make it more difficult to restore free bimetalic coinage. It can not aid bimetalism without disappointing the dearest hopes of those gentlemen who are most active in its support. If it were not so serious a matter it would be interesting to note the mortification which must come either to the gold supporters or to the silver supporters of unconditional repeal. They are working in perfect harmony to secure exactly opposite results by means of this bill. Who will be deceived? This is only the first step. It will be followed by an effort to secure an issue of bonds to maintain gold payments. Senator SHERMAN, the new prophet of Democracy, has already stated that bonds must be issued, and we know that last spring the whole pressure of the moneyed interest was brought to bear to secure an issue of bonds then. Do you say that Congress would not dare to authorize the increase of the public debt in time of peace? What is there that this Congress

may not dare to do after it has given its approval to the iniquitous measure now before us?

It has also been suggested that the silver dollars now on hand be limited in their legal-tender qualities. We need not be surprized if this suggestion assumes real form in attempted legislation. It has already been proposed to increase the circulation of national banks and thus approve of a policy which our party has always denounced. But we need be surprized at nothing now. The party can never undergo a more complete transformation upon any question than it has upon the silver question, if the representatives reflect the sentiments of those who sent them here. We have been told of the great blessings which are to follow unconditional repeal. Every rise in stocks has been paraded as a forerunner of coming prosperity. I have taken occasion to examine the quotations on one of the staple products of the farm, and in order to secure a basis for calculation, I have taken wheat for December delivery.

I give below the New York quotations on December wheat, taken from the New York *Prices Current*. The quotations are for the first day of the months of June, July, August, September, October and October 30, or as near those dates as could be gathered from the *Prices Current*, which is published about twice a week:

June 1, December wheat, 83¾.
(Special session called June 30, to meet August 7.)
July 1, December wheat, 81⅛.
August 1, December wheat, 75.
(Congress convened August 7.)
September 1, December wheat, 74½.

(Senate debate continuing.)

October 1, December wheat, 74⅝.

(Compromise abandoned and repeal assured about October 23.)

October 30, December wheat, 71½.

(Unconditional repeal passed Senate evening of October 30.)

October 31, December wheat (Post-marked report), 69½.

The following is an extract from the market report touching the general situation in New York and the grain market in Chicago. The report appears in the morning issue of the Washington *Post*, November 1.

BIG SCRAMBLE TO SELL—THE CHANGE OF SENTIMENT WAS A SURPRISE TO THE STREET—LONDON BEGAN THE RAID—THOSE WHO BELIEVED THE PASSAGE OF THE REPEAL BILL WOULD LEAD TO HEAVY BUYING ORDERS, AND HAD PURCHASED FOR A RISE, ALSO TURNED SELLERS AND SACRIFICED THEIR HOLDINGS—RALLIED A LITTLE AS THE MARKET CLOSED —THE BUSINESS ON 'CHANGE.

NEW YORK, *October* 31.

Yesterday's vote by the Senate repealing the Sherman silver law did not have the effect on the stock market that the bulls expected. In the first place London cabled orders to sell various stocks, much to the disappointment of local operators, who were confident that the action of the Senate would result in a flood of buying orders. The liquidations for foreign account induced selling by operators who had added to their lines on the belief that the repeal of the silver purchase act would instantaneously bring about a boom.

When it was seen that instead of buying the outside public was disposed to sell the weak-kneed bulls tried to get out.

CHICAGO, *October* 31.

Wheat was very weak throughout the entire session today. The opening was about 1 per cent. per bushel lower than the closing figures of Saturday, became weak, and after some minor fluctuations prices further declined 1⅞ to 2, then held steady, and the closing was 2½ to 2⅝ lower than the last prices of Saturday. There was some surprize at the course of the market, which became consternation, and at one time amounted almost to a panic, when little or no reaction

appeared and the price continued to sink. The fact of the matter was that traders were loaded with wheat and were merely waiting for the opportunity to sell. The bulge toward the end of last week gave them this chance and they were quick to take advantage of it. The silver repeal bill having been discounted for several days had little or no effect in the matter of sustaining prices. New York stocks were weak and much lower and this speculative feeling was communicated to wheat. New Yorkers who have been the big bulls for so long were selling today, and it was said that there were numerous orders from abroad on that side of the market.

Corn was dull, the range being within three-eighths of a cent limit. The tone was steady and at times an undertone of firmness was noticeable, altho prices did not show any essential changes. The accumulations of cash corn during the past three days were the cause of a somewhat liberal offerings of futures early, but after a time they became light and the market dull. The opening was at a decline of ¼ to ⅜, but on a good demand an advance of ⅜ was made, receding ¼ to ⅜ later, and closing ¼ to ⅜ under the final figures of Saturday.

Oats were featureless, but the feeling was steady. There was very little trading and price changes were within ¼ cent limit, the closing being ⅛ below Saturday.

From the statement given it will appear that wheat has fallen more than 14 cents a bushel since the beginning of the month in which President Cleveland issued his call for the extra session. The wheat crop for 1892 was about 500,000,000 bushels. A fall of 1 cent in price means a loss of $5,000,000 on the crop if those figures can be taken for this year's crop. Calculated upon December wheat the loss since June 1 has been over $70,000,000, or one-sixth of its value at the beginning of the decline. The fall of 2 cents on yesterday alone, after the repeal bill passed the Senate and its immediate passage in the House was assured, amounted to $10,000,000. The fall yesterday in wheat, corn, and

oats calculated upon a year's crop amounted to more than $17,000,000. Are these the first fruits of repeal? Wall street was terribly agitated at the prospect of a slight reduction in the gold reserve. Will they take no notice of this tremendous reduction in the farmer's reserve? The market report quoted above says:

"Yesterday's vote by the Senate repealing the Sherman silver law did not have the effect on the stock market that the bulls expected. In the first place London cabled orders to sell various stocks, much to the disappointment of local operators, who were confident that the action of the Senate would result in a flood of buying orders."

Is it possible that instead of money flowing to us, it is going to flow away in spite of repeal? The argument most persistently made by the advocates of repeal was that money would at once flow to this country from Europe and relieve us of our stringency in the money market. The business centers became impatient because the Senate insisted upon a thorough discussion. Some of the papers even suggested that the Senate ought to be abolished because it stood in the way of the restoration of confidence. Finally the opposition was worn out, the bill was passed, just as the metropolitan press demanded, and behold it was greeted in the market by a general decline. We may now expect to hear that the vague, indefinite, and valueless tail added in the Senate as an amendment has prevented returning confidence, and that it is our highest duty to repeal the caudal appendage of the Wilson bill, just as the repeal of the purchase clause of the Sherman law was demanded. For twenty years we have denounced the demonetization act of 1873,

and yet we are now prepared with our eyes open, fully conscious of what we are doing, to perpetrate the same crime. We leave silver just where it was left then, except that there was provision then for trade dollars which this bill does not contain. You may assume the responsibility. I shall not.

The line of battle is laid down. The President's letter to Governor Northen expresses his opposition to the free and unlimited coinage of silver by this country alone. Upon that issue the next Congressional contest will be fought. Are we dependent or independent as a nation? Shall we legislate for ourselves or shall we beg some foreign nation to help us provide for the financial wants of our own people?

We need not fear the result of such a contest.

The patriotism of the American people is not yet gone, and we can confidently await their decision.

IV

AN INCOME TAX

Delivered in Congress on Jan. 30, 1894, during the discussion of the income tax amendment to the Wilson Bill. Mr. Bryan was a member of the subcommittee of the Ways and Means Committee which framed the income tax amendment.

MR. CHAIRMAN: What is this bill which has brought forth the vehement attack to which we have just listened? It is a bill reported by the Committee on Ways and Means, as the complement of the tariff bill. It, together with the tariff measure already considered, provides the necessary revenue for the support of the Government. The point of attack is the income tax, individual and corporation (which is expected to raise about $30,000,000), and to that I will devote the few minutes which are allowed for closing the debate.

The gentleman from New York insists that sufficient revenue will be raised from the tariff schedules, together with the present internal-revenue taxes, and that it is therefore unnecessary to seek new objects for taxation. In this opinion he is not supported by the other members of the committee, and we have been constrained to follow our own judgment rather than his. The internal-revenue bill which is now pending as an amendement to the tariff bill imposes a tax of 2 per cent. upon the

net incomes of corporations, and in the case of corporations no exemption is allowed.

I need not give all the reasons which led the committee to recommend this tax, but will suggest two of the most important. The stockholder in a corporation limits his liability. When the statute creating the corporation is fully complied with the individual stockholder is secure, except to the extent fixed by the statute, whereas the entire property of the individual is ordinarily liable for his debts. Another reason is that corporations enjoy certain privileges and franchises. Some are given the right of eminent domain, while others, such as street-car companies, are given the right to use the streets of the city—a franchise which increases in value with each passing year. Corporations occupy the time and attention of our Federal courts and enjoy the protection of the Federal Government and as they do not ordinarily pay taxes the committee felt justified in proposing a light tax upon them.

Some gentlemen have accused the committee of showing hostility to corporations. But, Mr. Chairman, we are not hostile to corporations; we simply believe that these creatures of the law, these fictitious persons, have no higher or dearer rights than the persons of flesh and blood whom God created and placed upon his footstool. The bill also imposes a tax of 2 per cent. upon individual incomes in excess of $4,000. We have proposed the maximum of exemption and the minimum of rate. The principle is not new in this country. For nearly ten years, during and after the war, an in-

come tax was levied, varying from 2½ to 10 per cent., while the exemption ranged from $600 to $2,000. In England the rate for 1892 was a little more than 2 per cent., the amount exempt, $750, with an additional deduction of $600 on incomes of less than $2,000. The tax has been in force there in various forms for more than fifty years.

In Prussia the income tax has been in operation for about twenty years; incomes under 900 marks are exempt, and the tax ranges from less than 1 per cent. to about 4 per cent., according to the size of the income.

Austria has tried the income tax for thirty years, the exemption being about $113, and the rate ranging from 8 per cent. up to 20 per cent.

A large sum is collected from an income tax in Italy; only incomes under $77.20 are exempt, and the rate runs up as high as 13 per cent. on some incomes.

In the Netherlands the income tax has been in operation since 1823. At present, incomes under $260 are exempt, and the rate ranges from 2 per cent. to 3 1-5 per cent., the latter rate being paid upon incomes in excess of $3,280.

In Zurich, Switzerland, the income tax has been in operation for more than half a century. Incomes under $100 are exempt, and the rate ranges from about 1 per cent. to almost 8 per cent., according to the size of the income.

It will thus be seen that the income tax is no new device, and it will also be noticed that the committee has proposed a tax lighter in rate and

more liberal in exemption than that imposed in any of the countries named.

If I were consulting my own preference I would rather have a graduated tax, and I believe that such a tax could be defended not only upon principle, but upon grounds of public policy as well; but I gladly accept this bill as offering a more equitable plan for making up the deficit in our revenues than any other which has been proposed. The details of the bill will be discussed to-morrow under the five-minute rule, and any necessary changes can be made.

The committee presents the bill after careful consideration, but will cheerfully accept any changes which the wisdom of the House may suggest. The bill not only exempts from taxation, but from annoyance as well, every persons whose income is below $3,500. This is an important feature of the bill. In order to guard against fraud the bill provides that every person having an income of more than $3,500 shall make a return under oath, but no tax is collected unless the net income exceeds $4,000. The bill also provides severe penalties to restrain the tax-collector from disclosing any information gained from the returns made by citizens.

And now, Mr. Chairman, let us consider the objections which have been made. The gentleman from New York [Mr. BARTLETT] who addressed the House this forenoon, spent some time in trying to convince us that, while the Supreme Court had without dissent affirmed the constitutionality of an income tax, yet it might at some future time reverse

the decision, and that, therefore, this bill ought to be rejected. This question has been settled beyond controversy. The principle has come before the court on several occasions, and the decisions have always sustained the constitutionality of the income tax. (Hylton *vs.* United States, 3 Dall., 171; Deasie Bank *vs.* Fenno, 8 Wall., 533; Scholey *vs.* Rew, 23 Wall., 331; Pacific Insurance Company *vs.* Soule, 7 Wall., 433.)

In Springer *vs.* United States (102 United States, 586) the question was directly raised upon the law in force from 1863 to 1873, and the court held that the income tax as then collected was not a direct tax within the meaning of the Constitution, and therefore need not be apportioned among the States according to their population.

But gentlemen have denounced the income tax as class legislation, because it will affect more people in one section of the country than in another. Because the wealth of the country is, to a large extent, centered in certain cities and States does not make a bill sectional which imposes a tax in proportion to wealth. If New York and Massachusetts pay more tax under this law than other States, it will be because they have more taxable incomes within their borders. And why should not those sections pay most which enjoy most?

The census shows that the population of Massachusetts increased less than half a million between 1880 and 1890, while the assessed value of her property increased more than half a billion during the same period. The population of New York increased about 900,000 between 1880 and 1890,

while the assessed value of the property increased more than $1,100,000,000. On the other hand, while the population of Iowa and Kansas combined increased more than 700,000, their assessed valuation increased only a little more than $300,000,000. This bill is not in the line of class legislation, nor can it be regarded as legislation against a section, for the rate of taxation is the same on every income over $4,000, whether its possessor lives upon the Atlantic coast, in the Mississippi Valley or on the Pacific Slope. I only hope that we may in the future have more farmers in the agricultural districts whose incomes are large enough to tax.

But the gentleman from New York [Mr. COCKRAN] has denounced as unjust the principle underlying this tax. It is hardly necessary to read authorities to the House. There is no more just tax upon the statute books than the income tax, nor can any tax be proposed which is more equitable; and the principle is sustained by the most distinguished writers on political economy.

Adam Smith says:

"The subjects of every State ought to contribute to the support of the Government, as nearly as possible in proportion to their respective abilities; that is, in proportion to the revenue which they respectively enjoy under the protection of the State. In the observation or neglect of this maxim consists what is called the equality or inequality of taxation."

The income tax is the only one which really fulfills this requirement. But it is said that we single out some person with a large income and make him pay more than his share. And let me call attention here to a fatal mistake made by the distinguished

gentleman from New York [Mr. COCKRAN]. You who listened to his speech would have thought that the income tax was the only Federal tax proposed; you would have supposed that it was the object of this bill to collect the entire revenue from an income tax. The gentleman forgets that the pending tariff bill will collect upon imports more than one hundred and twenty millions of dollars—nearly ten times as much as we propose to collect from the individual income tax. Everybody knows that a tax upon consumption is an unequal tax, and that the poor man by means of it pays far out of proportion to the income which he enjoys.

I read the other day in the New York World—and I gladly join in ascribing praise to that great daily for its courageous fight upon this subject in behalf of the common people—a description of the home of the richest woman in the United States. She owns property estimated at $60,000,000, and enjoys an income which can scarcely be less than $3,000,000, yet she lives at a cheap boarding house, and only spends a few hundred dollars a year. That woman, under your indirect system of taxation, does not pay as much toward the support of the Federal Government as a laboring man whose income of $500 is spent upon his family.

Why, sir, the gentleman from New York [Mr. COCKRAN] said that the poor are opposed to this tax because they do not want to be deprived of participation in it, and that taxation instead of being a sign of servitude is a badge of freedom. If taxation is a badge of freedom, let me assure

my friend that the poor people of this country are covered all over with the insignia of freemen.

Notwithstanding the exemption proposed by this bill, the people whose incomes are less than $4,000 will still contribute far more than their just share to the support of the Government. The gentleman says that he opposes this tax in the interest of the poor! Oh, sirs, is it not enough to betray the cause of the poor—must it be done with a kiss?

Would it not be fairer for the gentleman to fling his burnished lance full in the face of the toiler, and not plead for the great fortunes of this country under cover of the poor man's name? The gentleman also tells us that the rich will welcome this tax as a means of securing greater power. Let me call your attention to the resolutions passed by the New York Chamber of Commerce. I wonder how many poor men have membership in that body! Here are the resolutions passed at a special meeting called for the purpose. The newspaper account says:

"Resolutions were adopted declaring 'the proposal to impose an income tax is unwise, unpolitic and unjust for the following reasons:

"'First. Experience during our late war demonstrated that an income tax was inquisitorial and odious to our people, and only tolerated as a war measure, and was abrogated by universal consent as soon as the condition of the country permitted.

"'Second. Experience has also shown that it is expensive to put in operation; that it can not be fairly collected, and is an unjust distribution of the burdens of taxation and promotes evasions of the law.

"'Third. The proposal to exempt incomes under $4,000 is purely class legislation, which is socialistic and vicious in its tendency, and contrary to the traditions and principles of republican government.'

"Still another resolution was adopted declaring 'that in addition to an internal-revenue tax the necessary expenses of the Government should be collected through the custom-house, and that the Senators and Representatives in Congress from the State of New York be requested to strenuously oppose all attempts to reimpose an income tax upon the people of this country.'"

They say that the income tax was "only tolerated as a war measure, and was abrogated by universal consent as soon as the condition of the country permitted." Abrogated by universal consent! What refreshing ignorance from such an intelligent source! If their knowledge of other facts recited in those resolutions is as accurate as that statement, how much weight their resolutions ought to have! Why, sir, there never has been a day since the war when a majority of the people of the United States opposed an income tax. It was only repealed by one vote in the Senate, and when under consideration was opposed by such distinguished Republicans as Senator SHERMAN of Ohio, Senator MORTON of Indiana, and Senator HOWE of Wisconsin. It was also opposed in the House by Mr. VOORHEES, and by the gentleman from Indiana [Mr. HOLMAN]—

MR. PATTERSON. And by ROGER Q. MILLS.

MR. BRYAN. Yes, by ROGER Q. MILLS, I am informed, and a host of others. Not only did the Senators mentioned oppose repeal, but they spoke with emphasis in favor of the justice of an income tax.

Senator SHERMAN said:

"The Senator from New York and the Senator from Massachusetts have led off in declaring against the income tax. They have declared it to be invidious. Well, sir, all taxes

are invidious. They say it is inquisitorial. Well, sir, there never was a tax in the world that was not inquisitorial.

"The least inquisitorial of all is the income tax.

"I hope that, after full discussion, nobody will vote for striking out the income tax. It seems to me to be one of the plainest propositions in the world. Put before the people of the United States the question whether the property of this country can not stand a tax of $20,000,000, when the consumption of the people stands a tax of $300,000,000, and I think they will quickly answer it. The property-holders of the country came here and demanded the repeal of the only tax that bears upon their property, when we have to tax everything for the food of the poor, the clothing of the poor, and all classes of our people $300,000,000.

"There never was so just a tax levied as the income tax.

"There is no objection that can be urged against the income tax that I can not point to in every tax.

"Writers on political economy, as well as our own sentiments of what is just and right, teach us that a man ought to pay taxes according to his income and in no other way."

Could language be stronger or more pertinent to the present discussion?

Senator HOWE said:

"There is not a tax on the books so little felt, so absolutely unfelt in the payment of it, as this income tax by the possessors of the great fortunes upon which it falls."

"There is not a poor man in this country, not a laborer in this country, but what contributes more than 3, more than 10, more than 20 per cent. of all his earnings to the Treasury of the United States under those very laws against which I am protesting; and now we are invited to increase their contributions, and to release these trifling contributions which we have been receiving from incomes heretofore."

Senator MORTON said:

"The State taxation in Indiana, and, I undertake to say, of every State in the Union, has in it every inquisitorial feature that the income tax has.

"The income tax is of all others the most equitable, because it is the truest measure that has yet been found of the productive property of the country."

The Chamber of Commerce, in its anxiety to defeat this tax, has distorted the facts of history, and yet the gentleman from New York says that the rich favor the law. If, sirs, they favor the law, why is it that the opposition of the law comes only from the districts in which the wealthy live? Are the Representatives from those districts unwilling to do what their people want done, and is it necessary for the great agricultural districts to come here and force upon the rich districts of the United States a tax which the rich love so much?

The gentleman from New York says that this tax is inquisitorial, that it pries into a man's private business. I sent to New York and obtained from the city chamberlain copies of assessment blanks used. The chamberlain writes: "The matter of assessing personal taxes is arrived at by interrogation of the persons assessed by either of the commissioners, which is a very rigorous cross-examination in reference to the amount of personal property they have, and reductions are only made by an affidavit asking for the same and sworn to before a tax commissioner of this county."

The citizen, after giving in detail his stock in various banks, makes oath that "the full value of all personal property, exclusive of said bank shares owned by deponent (and not exempt by law from taxation) on the second Monday in January, 189—, did not exceed $——; that the just debts owing by deponent on said date amounted to $——, and that no portion of such debts has been deducted from

the assessment of any personal property of deponent, other than said bank shares, or has been used as an offset in the adjustment of any assessment for personal property, whether in this or in any other county or State, for the year 189—, or incurred in the purchase of non-taxable property or securities, or for the purpose of evading taxation."

Is the proposed tax any more inquisitorial than that?

In Connecticut the citizen is required to give the number and value of various domestic animals, the number of watches, the value of jewelry, household furniture, library, etc.; also bonds, stocks, money at interest, and money on deposit. Is the proposed tax any more inquisitorial than that?

In Nebraska the citizen is compelled to give the number and value of all domestic animals, watches, diamonds, jewelry, money, credits, etc., and what is true in Nebraska is true generally of all the States. Is an income tax more inquisitorial than those taxes upon personal property? I insist, sirs, that the income tax provided for in this bill is less inquisitorial in its nature than the taxes which are found in every State in the Union.

But they say that the income tax invites perjury; that the man who has a large income will swear falsely, and thus avoid the payment of the tax; and, indeed, the gentleman from Massachusetts [Mr. Walker] admitted that his district was full of such people, and he said that our districts were, too. I suppose these constituents whom he accuses of perjury are expected to pat him on the back when he

goes home and brag about the compliment he paid them. [Laughter and applause.]

If there is a man in my district whose veracity is not worth 2 cents on the dollar, who will perjure himself to avoid the payment of a just tax imposed by law, I am going to wait until he pleads guilty before I make that charge against him.

They say that we must be careful not to invite perjury. Why, sirs, this Government has too much important business on hand to spend its time trying to bolster up the morality of men who cannot be trusted to swear to their incomes. And let me suggest that gentlemen who come to this House and tell us that their districts are full of such persons are treading upon dangerous ground. If a man will hold up his hand to Heaven and perjure his soul to avoid a 2 per cent. tax due to his Government, how can you trust such a man when he goes into court and testifies in a case in which he has a personal interest?

If your districts are full of perjurers, if your districts are full of men who violate with impunity not only the laws but their oaths, do you not raise a question as to the honesty of the methods by which they have accumulated their fortunes? Instead of abandoning just measures for fear somebody will perjure himself, let them be enacted into law, and then if any one perjures himself we can treat him like any other felon, and punish him for his perjury.

But, gentlemen, say that some people will avoid the tax, and that therefore it is unfair to the people who pay. What law is fully obeyed? Why are

criminal courts established, except to punish people who violate the laws which society has made? The man who pays his tax need not concern himself about the man who avoids it, unless, perhaps, he is willing to help prosecute the delinquent. The man who makes an honest return and complies with the law pays no more than the rate prescribed, and if the possessors of large fortunes escape by fraud the payment of one-half their income tax, they will still contribute far more than they do now to support the Federal Government, and to that extent relieve from burdens those who now pay more than their share.

The gentleman from New York is especially indignant because incomes under $4,000 are exempt. Why, sir, this is not a new principle in legislation. The exemption of very small incomes might be justified on the ground that the cost of collection would exceed the amount collected, but it is not necessary to urge this defense. The propriety of making certain exemptions is everywhere recognized. So far as I have been able to investigate, every country which now imposes or has imposed an income tax has exempted small incomes from taxation. Nearly if not all of our States exempt certain kinds of property, or property to a certain amount. If an exemption tends toward socialism, as urged by the gentleman from New York [Mr. Cockran] and the Chamber of Commerce, is it possible that socialism has taken possession of the States of New York and Connecticut?

I find in the assessment blank used in New York the words "and not exempt by law from taxation,"

indicating that some property is exempt. The gentleman from New York had better eradicate this evidence of socialism, as he calls it, from the statutes of his own State before he denounces us for following the example set by New York.

I find from the Connecticut assessment blank that farming utensils to the value of $200, mechanics' tools to the value of $200, watches and jewelry to the value of $25, musical instruments to the value of $25, household furniture to the value of $500, libraries to the value of $200, and money on deposit to the amount of $100, are all exempt from the personal property tax. What a firm hold socialism seems to have gained upon Connecticut!

The gentlemen who are so fearful of socialism when the poor are exempted from an income tax view with indifference those methods of taxation which give the rich a substantial exemption. They weep more because fifteen millions are to be collected from the incomes of the rich than they do at the collection of three hundred millions upon the goods which the poor consume. And when an attempt is made to equalize these burdens, not fully, but partially only, the people of the South and West are called anarchists.

I deny the accusation, sirs. It is among the people of the South and West, on the prairies and in the mountains, that you find the staunchest supporters of government and the best friends of law and order.

You may not find among these people the great fortunes which are accumulated in cities, nor will

you find the dark shadows which these fortunes throw over the community, but you will find those willing to protect the rights of property, even while they demand that property shall bear its share of taxation. You may not find among them so much of wealth, but you will find men who are not only willing to pay their taxes to support the Government, but are willing whenever necessary to offer up their lives in its defense.

These people, sir, whom you call anarchists because they ask that the burdens of government shall be equally borne, these people have ever borne the cross on Calvary and saved their country with their blood.

Mr. George K. Holmes, of the Census Department, in an article recently published in the *Political Science Quarterly,* gives some tables showing the unequal distribution of property, and says: "Otherwise stated, 91 per cent. of the 12,690,152 families of the country own no more than about 29 per cent. of the wealth, and 9 per cent. of the families own about 71 per cent. of the wealth."

Is it unfair or unjust that the burden of taxation shall be equalized between these two classes? Who is it most needs a navy? Is it the farmer who plods along behind the plow upon his farm, or is it the man whose property is situated in some great seaport where it could be reached by an enemy's guns? Who demands a standing army? Is it the poor man as he goes about his work, or is it the capitalist who wants that army to supplement the local government in protecting his property when he enters into a contest with his employes? For whom are

the great expenses of the Federal Government incurred? Why, sir, when we ask that this small pittance shall be contributed to the expenses of the Federal Government, we are asking less than is just rather than more. But the gentleman from New York fears that this amendment will embarrass the bill, and denounces the action of the caucus as treason.

It has never been the policy of the party to control a member's vote upon the merits of a question by a caucus, and the caucus recently held was not to determine how any one should vote, but simply to decide whether the internal revenue bill should be attached to the tariff bill or brought up subsequently as an independent measure. When a member comes to represent a constituency upon this floor, he is responsible to his conscience and to his constituency, and to them alone. But gentlemen will remember that no revenue bill exactly meets the wishes of any one member, and that we are continually compelled to choose between something not wholly desirable and something else less desirable still.

Individual Democrats have opposed various tariff schedules, and have opposed them honestly; but the House, in Committee of the Whole, has agreed upon a certain tariff policy, and the tariff bill as agreed upon leaves a deficit in the revenue. This deficit must be made up, and it must be made up in that way which is most agreeable to a majority of the House. If the pending amendment providing for the income tax is adopted by the House, it then becomes a part of the bill, and upon the final vote

we shall be called upon to choose between the present law and a tariff-reform measure embodying an income tax. Each one must decide his course for himself.

If any Democrat who has advocated tariff reform and denounced the present law is willing to go back to his people and say, "Yes, the McKinley tariff is a crime; its loads are heavy and its opppression great, but I chose to make you bear the injustice still rather than bring you a relief accompanied by a light tax upon incomes," he can settle the matter with those whom he represents. If there be those who are willing to see their fellows oppressed "with burdens grievous to be borne," and yet "touch not the burdens" lest wealth may be displeased, the rest of us can still carry on the work of tariff reform, even if in so doing we must impose a tax which embodies the just principle observed by Him who "tempers the wind to the shorn lamb."

And, Mr. Chairman, I desire here to enter my protest against the false political economy taught by our opponents in this debate and against the perversion of language which we have witnest. They tell us that it is better to consider expediency than equity in the adjustment of taxation. They tell us that it is right to tax consumption, and thus make the needy pay out of all proportion to their means, but that it is wrong to make a slight compensation for this system by exempting small incomes from an income tax. They tell us that it is wise to limit the use of necessaries of life by heavy indirect taxation, but that it is vicious to lessen

the enjoyment of the luxuries of life by a light tax upon large incomes. They tell us that those who make the load heaviest upon persons least able to bear it are distributing the burdens of government with an impartial hand, but that those who insist that each citizen should contribute to government in proportion as God has prospered him are blinded by prejudice against the rich. They call that man a statesman whose ear is tuned to catch the slightest pulsations of a pocket-book, and denounce as a demagogue anyone who dares to listen to the heart-beat of humanity.

Let me refer again, in conclusion, to the statement made by the gentleman from New York [Mr. COCKRAN], that the rich people of his city favor the income tax. In a letter which appeared in the New York World on the 7th of this month, Ward McAllister, the leader of the "Four Hundred," enters a very emphatic protest against the income tax. Here is an extract:

"In New York City and Brooklyn the local taxation is ridiculously high, in spite of the virtuous protest to the contrary by the officials in authority. Add to this high local taxation an income tax of 2 per cent. on every income exceeding $4,000, and many of our best people will be driven out of the country. An impression seems to exist in the minds of our great Democratic Solons in Congress that a rich man would give up all his wealth for the privilege of living in this country. A very short period of income taxation would show these gentlemen their mistake. The custom is growing from year to year for rich men to go abroad and live, where expenses for the necessaries and luxuries of life are not nearly so high as they are in this country. The United States, in spite of their much-boasted natural resources, could not maintain such a strain for any considerable length of time."

But whither will these people fly? If their tastes are English, "quite English, you know," and they stop in London, they will find a tax of more than 2 per cent. assessed upon incomes; if they look for a place of refuge in Prussia, they will find an income tax of 4 per cent.; if they search for seclusion among the mountains of Switzerland, they will find an income tax of 8 per cent.; if they seek repose under the sunny skies of Italy, they will find an income tax of more than 12 per cent.; if they take up their abode in Austria, they will find a tax of 20 per cent. I repeat, Whither will they fly?

MR. WEADOCK. The gentleman will allow me to suggest that at Monte Carlo such a man would not have to pay any tax at all. [Laughter.]

MR. BRYAN. Then, Mr. Chairman, I presume to Monte Carlo he would go, and that there he would give up to the wheel of fortune all the wealth of which he would not give a part to support the Government which enabled him to accumulate it.

Are there really any such people in this country? Of all the mean men I have ever known, I have never known one so mean that I would be willing to say of him that his patriotism was less than 2 per cent. deep.

There is not a man whom I would charge with being willing to expatriate himself rather than contribute from his abundance to the support of the Government that protects him.

If "some of our best people" prefer to leave the country rather than pay a tax of 2 per cent., God pity the worst.

If we have people who value free government so little that they prefer to live under monarchical institutions, even without an income tax, rather than live under the stars and stripes and pay a 2 per cent. tax, we can better afford to lose them and their fortunes than risk the contaminating influence of their presence.

I will not attempt to characterize such persons. If Mr. McAllister is a true prophet, if we are to lose some of our "best people" by the imposition of an income tax, let them depart, and as they leave without regret the land of their birth, let them go with the poet's curse ringing in their ears:

> Breathes there the man with soul so dead
> Who never to himself hath said,
> This is my own, my NATIVE LAND!
> Whose heart hath ne'er within him burned,
> As home his footsteps he hath turned
> From wandering on a foreign strand?
> If such there breathe, go, mark him well;
> For him no minstrel raptures swell:
> High though his titles, proud his name,
> Boundless his wealth as wish can claim,
> Despite those titles, power, and pelf,
> The wretch, concentered all in self,
> Living, shall forfeit fair renown,
> And, doubly dying, shall go down
> To the vile dust, from whence he sprung,
> Unwept, unhonored, and unsung.

V

THE OMNIVOROUS WEST

Delivered in Congress on April 10, 1894, the occasion of and reasons for its delivery being stated in the speech.

MR. CHAIRMAN: What I desire to say is not in connection with this bill. I have been trying for several days to get an opportunity to present a matter of personal interest: and I ask unanimous consent that I may be allowed a few moments just now to present this matter.

THE CHAIRMAN. The gentleman from Nebraska asks unanimous consent, in addressing the committee, that he be permitted to go out of the rule and not confine himself strictly to the matter under debate. Is there objection? (After a pause): The Chair hears none.

MR. BRYAN. Mr. Chairman, the matter is this: On last Saturday there appeared in the *Times* of this city a letter given to the public by the gentleman from Maine [Mr. REED] in which he criticized the use I had made, at Denver and other places, of a speech, or a portion of a speech, made by him at Boston on the 25th of last October. I do not want the House to feel that I have done the gentleman any injustice, and I desire to have placed in the RECORD the portion of the speech which I quoted and the criticism. The gentleman says in

the letter (which I will ask the Clerk to read in a few moments):

"You will notice that the member of Congress in question, instead of quoting the paragraph in question here in Washington, where it could be met, went 2,000 miles west to air it."

The reason the matter was not presented before Congress in the tariff debate was that the speech did not come to my notice until nearly a month after the bill had passed the House. I did not conceive that it was any injustice to a member of this House, especially to so prominent a member as the gentleman from Maine, to quote in any part of the country a speech made under the circumstances at Boston, at a banquet given by the Massachusetts Republican Club. But since I came back I have kept the clipping in my desk, and sought an opportunity to present it in the RECORD, not in order that it might be met, because it cannot be met, but that the whole public might be able to see what a distinguished member said in a speech made to fit one part of the country, and how strangely it sounds in another part of the country. The gentleman said in the letter:

"It was first started by a member of Congress in a speech in Denver. I was somewhat surprized when I read it, for, of course, separated from the context, it conveys an entirely incorrect idea."

I will ask the Clerk to read the only part of that speech that I could find touching upon the tariff question, and if there is any other part that throws any light upon the part read, I shall be very glad to have it put into the RECORD. The speech from

which I quoted was reported, as I supposed in full in the *Boston Herald* of October 26, 1893, and in the *Boston Journal* (a Republican paper), of same date, it was reported in identically the same language. Not only does it give the words, but gives the expressions of "applause," "laughter," and "great applause," etc., with which the speech was punctured by the audience. I ask that the extract be read.

The Clerk read as follows:

"This is only one of its phases and one of its forms. If you people in Massachusetts desire to retain the system under which for thirty years you have been prosperous and great, you have got to show it by your votes on election day, and by no uncertain sign. [Applause.]

"And let me tell you right here that there is no State so deeply interested as the State of Massachusetts. [Applause.] If it were not for its condition, I should say, "Let these men try it. Let us have the lesson of free trade burned into the quick; and then let us have peace." [Applause.] But when Massachusetts sits around to mourn her destroyed factories, her ruined industries, her ruined machine shops, she sits around to mourn for eternity; for if they are once destroyed the omnivorous West will do the manufacturing for the country. [Applause.] You have the start; you have the power; you have the prestige. You can keep it or you can throw it away: and the only way in which you can keep it is by making the voice of the majority of your people to be heard, and to be heard across the country. [Applause.]

"The Democratic party to-day is ruled by the South. I do not care anything about the geography of their position—when I say 'the South.' I mean by men who have no conception whatever of a Northern industrial city [applause], who have no idea of Lowell or Lawrence. That wealth which is diffused from one end of our great towns to another, they do not understand; and if you who do understand it—and some of you are dependent for your livelihood upon it—neglect your duty you must not be surprized if these men carry out their ideas. Truth is mighty, but so is ignorance."

MR. BRYAN. Mr. Chairman, in this letter the gentleman says, "The passage occurring in a short extemporaneous speech, with no point elaborated." I hardly think that it can be said that because a speech was extemporaneous, therefore one should not quote from it. Sometimes an extemporaneous speech will present a man's real thought better than a prepared speech, and I think that those who read the speech made by the gentleman in Boston will perhaps agree that if he had ever thought it would be reported or read in the West it might have been somewhat modified.

But, extemporaneous as it was, it probably exprest the real sentiment and the real belief of the gentleman who made it. To show that the gist of it was not much changed upon reflection, let me read what the letter says. The letter, I presume, was not extemporaneous. In the letter he says:

"I pointed out to them that the legislation tendered them was foolish; that the low duties of the Wilson bill would destroy their manufactures in common with others, and that when they were once destroyed they would be rebuilt under re-established protection nearer the market and nearer the materials, as cheaply as in New England."

Now, of course, that letter is not extemporaneous. It is a calm statement of a supposed condition that, under equal circumstances, the "omnivorous West" would do the manufacturing for the country; that if we could once take away the advantage which New England has in the system now existing, and start upon an equal footing, the manufactures of New England would be re-established in the "omnivorous West." A little farther on he says:

"As I said to Massachusetts I say to all other parts of the country, that enlightened selfishness teaches the doctrine of 'live and let live.'"

I ask those who desire to pursue the subject to read that speeech and see whether they can find in it anywhere the idea of "live and let live." No, sir. It is an appeal to sectionalism. "You have the start; you have the power; you have the prestige; you can keep it or you can throw it away." In other words, if you keep it you can have the advantage of the "omnivorous West," but if you do not make your voice heard across the country you will lose the artificial advantage given you by law, and when it comes to natural advantages the "omnivorous West" will get ahead of you.

In another place the gentleman says:

"Of course such a free list would be very attractive to New England if she acted from pure selfishness."

If you read the portion of the speech devoted to the tariff question you will imagine that pure selfishness is the only thing that can be appealed to in Massachusetts, because it is the only thing the gentleman appeals to there. He calls up the "ignorance" of the South—Massachusetts must beware of that. He calls up the great "omnivorous West"—Massachusetts must be careful about that. In this speech he says that "no State is so deeply interested (in protection) as Massachusetts." Now, sir, that sounds strange in the West. We have been told out there that every State is just as much interested in protection as Massachusetts is.

We have been told that protection is just as important to the West as it is to the East, but here

is a gentleman who is acknowledged the leader of the Republican party, not only in this House, but in the Nation, a gentleman who may go some day to the "omnivorous West," and ask its support for the Presidency, says that if it were not for the condition of Massachusetts he would be willing to have free trade. But for that—not the condition of the country, but the condition of Massachusetts—he would be willing to say, "Let these men try it. Let us have the lesson of free trade burned into the quick, and then let us have peace," but for Massachusetts' sake he will not have it.

But the strange thing about the explanation—which may require more explanation than the original speech—is what the gentleman from Maine, looking back, supposes he had said. I have quoted the portion of the letter in which he says that he "pointed out to them that the legislation tendered them was foolish; that the low duties of the Wilson bill would destroy their manufactures," etc. Now, Mr. Chairman, it is a strange thing that that speech not only did not contain a mention of the Wilson bill, not only did not warn them against the "bribe" of free raw material, but the speech was made more than a month before the Wilson bill was reported by the majority of the committee to the minority; it was made at a time when there was no Wilson bill, and when the Democrats did not know what the schedule would be.

Now, is it not strange that in a prepared criticism, which not only attempts to explain the speech, but even criticizes me for using it—is it not strange, that in that prepared letter, the gentleman should

have thought that he spoke of a bill which was not in existence until a month after the speech was made?

Now, Mr. Chairman, I will ask the Clerk to read the letter which I send to the desk.

The Clerk read as follows:

HOUSE OF REPRESENTATIVES, UNITED STATES,
Washington, D. C., April 6, 1894.

"MY DEAR SIR: Your favor received. I have noticed the paragraph you sent me making its way over the West. It was first started by a member of Congress in a speech in Denver. I was somewhat surprized when I read it, for, of course, separated from the context, it conveys an entirely incorrect idea. The passage occurred in a short extemporaneous speech, with no point elaborated. It was when the attempt was being made to secure the aid of New England by sacrificing the interests of the West under guise of giving New England free raw material by removing the duty on coal, iron, and wool.

"Of course such a free list would be very attractive to New England, if she acted from pure selfishness. But I took occasion in a few words of incomplete statement, but which the audience I addrest perfectly understood, to point out how short sighted it was for New England to accept the bribe. Already many Massachusetts manufacturers had legitimately gone West, and more must do so, the coarser going first. Under these circumstances, perfectly understood by my audience, some short-sighted men were trying, by the promise of free coal, free iron ore, and free wool, to persuade New England that she could monopolize the manufacturing.

"I pointed out to them that the legislation tendered them was foolish: that the low duties of the Wilson bill would destroy their manufactures, in common with others, and that when they were once destroyed, they would be rebuilt under re-established protection, nearer the market and nearer the materials, as cheaply as in New England. In short, if New England men helped ruin the country, the ruin would be first and most complete for them on their unkindly soil. Such, in my judgment, would be the fact, and this ruin the country cannot afford, no matter where the destroyed manufactures are. An idle factory goes to pieces in five years,

and to destroy expensive plants and to throw away all the capital involved would mean that the United States, and, most of all, New England, would have to halt in its progress until all these vast sums were re-earned and reinvested.

"Manufacturers are now steadily and legitimately advancing westward and southward under the present system, and doing so as fast as is consistent with solid material growth. Massachusetts men and other men are already transferring a part of their capital, and in due time, without shock, the Western and Southern manufactories will do their full share of the manufacturing business of the country. The manufacturing of coarse cotton cloths has already gone from New England to the South.

"The mighty and 'omnivorous' West is truly great in all that will make riches and consumable wealth, and if this destruction called the Wilson bill can be stayed all parts of the country will prosper and capital and labor will not be wasted.

"As I said to Massachusetts I say to all other parts of the country, that enlightened selfishness teaches the doctrine of 'live and let live.'"

"You will notice that the member of Congress in question, instead of quoting the paragraph in question here in Washington, where it could be met, went 2,000 miles west to air it. I am surprised that any man East or West should deem it worth while to credit me with opposition to the Wilson bill because it would build up manufactures in the West, when everybody knows it will destroy all manufactures.

"It is the desire and expectation of protectionists that the West and South will follow or even surpass the example of New England in developing manufacturing industries, as they are now fast doing. The Wilson bill will bring the South and West into competition in manufacturing, with wages much lower than their wages, instead of into competition with the higher wages of New England, as now.

"Very truly yours, T. B. REED.

"C. L. VAUGHAN, Esq., *Hutchinson, Kans.*"

MR. GROSVENOR. I rise to a parliamentary inquiry.

THE CHAIRMAN. The gentleman will state it.

MR. GROSVENOR. Is this debate upon the Wilson bill or upon the Hill substitute?

THE CHAIRMAN. The Chair will state to the gentleman, if he was not present at the time, that the Chair recognized the gentleman from Georgia [Mr. LIVINGSTON] in his own right for an hour, under the rules; that after speaking for fifteen or eighteen minutes the gentleman from Georgia yielded the remainder of his time to the gentleman from Nebraska [Mr. BRYAN]. The gentleman from Nebraska yielded a few minutes to the gentleman from Iowa [Mr. GEAR] and the gentleman from Iowa [Mr. DOLLIVER]; and when the gentleman himself took the floor he asked unanimous consent—in violation of the rule, as the Chair stated—to speak to this matter. There was no objection, and the Chair so stated. The gentleman is in order.

MR. GROSVENOR. Then it is "this matter" that is under discussion.

THE CHAIRMAN. It does not make any difference what the "matter" is; the gentleman has the consent of the committee to speak.

MR. BOUTELLE. That is what we want to know—what is the matter?

A MEMBER (on the Democratic side). You will find out.

MR. BRYAN. Mr. Chairman, this is put in the RECORD because I would not have the House and the people to whom that letter was addrest by the gentleman (for it was given to the public) think that I have done anything wrong or done any injustice to the gentleman from Maine. I thought it wise to put both the speech from which I quoted and the letter which explains the speech in the RECORD for these reasons, in order that those who

read the letter may have the means of knowing whether I was guilty of taking a sentence out of its proper connection, and thereby making it convey an erroneous idea; and also that they may know that I had not spoken of this speech 2,000 miles away, and was unwilling to speak of it here "where it could be met."

I wanted the matter put in the RECORD "where it could be met," for fear that some Western Republican might take up the line of argument which the gentleman followed in Massachusetts and address the people on the same line of selfishness. I was afraid that some protectionist out there might appeal to his people, and using the gentleman as authority say, "We have not the start, we have not the power, and we have not the prestige; but if we can once wipe out the tariff we will get the start, and get the power, and get the prestige." For fear they might do that, I wanted to bring the matter forward here where the gentleman could explain it, so that no protectionist in the West would have an excuse for misunderstanding him or for applying to the Western country the argument which has been and is applied to the Eastern country.

We have told them out there that the real purpose of protection is to give the East an advantage; but we never before found the leader of the Republican party willing to say that no State in the Union was "so deeply interested as Massachusetts" in maintaining protection. We have told them that if it were not for the great "combines" which have been built up and which have enabled trusts to

drive out new industries, and then under the protection of a tariff recoup themselves out of the pockets of the people, there might be great industries built up in the "omnivorous West"; but we never had a great Republican so nearly tell us before; and I wanted this put in the RECORD so that if there is an explanation of it the people of the West may have it; and if there is no explanation, then let them know that the people who go before them and advocate protection on the ground that it is for the whole country, go down to Massachusetts, and, raising up the "ignorance" of the South and the "omnivorous West," plead for special privileges for their own industries.

VI

MONEY

Prepared and inserted in the *Congressional Record* on June 5, 1894, but for lack of time it was not delivered. The speech discusses paper money, the House having then under consideration a bill to suspend the 10 per cent. tax on state bank notes.

MR. SPEAKER: The members of the committee, following a time-honored custom, have opened this discussion and have consumed all the time allowed for general debate. The House has indulged me so generously on former occasions that I shall not now claim much of its time. The question under discussion, however, is so important that I shall avail myself of the general leave given, to extend my remarks in the *Record,* in order that my constituents may know the reasons which lead me to the conclusion to be exprest by my vote. I shall oppose the bill reported by the committee because I am not willing to extend to a few banks a relief which is denied to other members of the community. The amendment offered by the gentleman from Tennessee [MR. COX] to repeal the 10 per cent. tax on State bank notes opens up the whole subject of paper money, and I shall follow the examples set by others and discuss the matter somewhat elaborately.

No subject can more vitally concern the people than this, for money is the lifeblood of commerce,

and the financial health of the whole Nation depends upon the kind and quantity in circulation.

"Money answereth all things," said Solomon nearly three thousand years ago, and the expression is as applicable to our time as it was to his. It is written that "the love of money is the root of all evil," and we know by observation that it is well nigh omnipotent for weal or woe. It can bless like the gentle dews of Heaven, and it can cover a greater multitude of sins even than charity.

Some have denied that the States have a constitutional right to charter banks of issue, but I shall assume the existence of such a right.

Some have denied the constitutionality of the law imposing a tax upon State bank notes, but I shall accept as conclusive the decision of the Supreme Court of the United States, and assume that Congress has the power to impose a tax upon the notes issued by such banks, even though the law in effect prohibits the issue and circulation of such notes, and even tho some other means of restriction might be preferred. It has been stated that every Democrat is in duty bound to vote for the repeal of the State bank tax, because of the plank relating to that subject adopted by the last Democratic National convention. A platform can only bind those who run upon it.

President Cleveland is, of course, pledged to the repeal of the tax, because he accepted a nomination and an election upon the National Democratic platform of 1892. Those also are pledged to repeal whose nominating conventions indorsed the National platform, and those are perhaps bound, also,

who ran as Democrats without expressly repudiating that part of the National platform. In my own case, I was not only nominated before the adoption of the National platform by the Chicago convention, but I expressly repudiated in my canvass the plank which declared in favor of repealing the State bank tax.

In the Fifty-second Congress I voted against repealing this tax, and, as a candidate for reelection, promised my constituents that I would vote against it again if the question came before the Fifty-third Congress. If there is any person in my district who favors a revival of State bank currency, I am not aware of it. In recording my vote against a repeal of this tax I am expressing, therefore, the opinion of my constituents and carrying out my pledges, as well as recording my own best judgment. Some have urged the return to State bank currency on the ground that more money is needed, and that it can be supplied in no other way.

The argument comes with but little force from those who voted for, and now justify, the unconditional repeal of the Sherman act, because that law provided us with nearly fifty millions of legal tender money annually. Those who opposed unconditional repeal and who have consistently favored an increased supply of good money might justify their acceptance of a State bank currency as a last resort if they could show that the advantages brought by such a currency were greater than the dangers attendant upon it.

I shall attempt to show, first, that we should use as money all the gold and silver which will come

to our mints; and, second, that whatever paper money we need should be issued by the General Government.

"Money," as defined by Cirnuschi, "is a value created by law to be a scale of valuation and a valid tender for payment." Perhaps in a technical sense the term "money" should be applied only to those instruments of exchange which are endowed with legal tender qualities, but the term is used generally to cover not only coin and legal tender paper, but also notes and certificates which are intended to circulate from hand to hand like money.

There is a clear and well-defined difference between the promissory note of the individual or of the corporation and what is known as a bank note. The former travels only where the maker or indorser is known, and each person who receives the note investigates for himself as to the responsibility of those who are obligated to pay it. In the case of the latter, however, the person who receives the bank note accepts it on the faith of the law which charters the bank and regulates the amount of the notes and the manner in which they are secured.

The first principle to be considered in the study of money is that there is a close and intimate relation between the value of each dollar and the total number of dollars in circulation. John Stuart Mill says: "The value, or purchasing power, of money depends, in the first instance, on demand and supply. But demand and supply present themselves in a somewhat different shape from the demand and supply of other things."

Laveleye says: "The value of money, like that

of any other object, depends on the relation between supply and demand."

Cirnuschi appeared before the United States Monetary Commission in 1877, and his testimony contained the following question and answer:

"Question. Supposing the gold and silver metals to have no other use than as money, would they then maintain the same value that they now maintain as money?"

"Answer. There would be a diminution of their purchasing power, because the purchasing power of money is in direct proportion to the volume of money now existing. If all the gold and silver are used solely as money, all the ornaments and all the jewelry will be melted and coined, and the volume of money will be increased. It will be exactly as if a new mine of money had been opened. And the volume of circulating money being made larger than before, there will be a corresponding diminution in the purchasing power of the metalic dollar.

While it cannot be said with mathematical accuracy that the value of each unit of money will increase in exactly the same proportion that the total number of units decreases, and vice versa, it can be asserted without fear of contradiction that under similar conditions an increase in the volume of the currency will decrease the value of the dollar as measured by other kinds of property, and that a decrease in the volume of currency will cause an increase in the purchasing power of the dollar. To illustrate this point, let us suppose the sudden discovery of a quantity of gold and silver equal to the present volume of metalic money. We have now about eight billions of gold and silver coin in the world, a little more than half of it being silver.

Every one understands that if the newly discov-

ered coin could be added to the circulation and the volume thereby doubled, the value of each dollar would fall as shown by its purchasing power. The reverse would be true if it were possible to wipe out of existence one-half of the present metalic money. We recognize that the value of a dollar depends upon the number of dollars when we take an extreme case like the one above supposed; if the actual change in the volume is less the value of the unit will fluctuate less, but the principle being once established the variation is a matter of degree only.

We often hear people say, "What if the amount of money is increased? I must have something to exchange for it before I can obtain it." That is true, but the amount of money which a person can obtain for what he has to sell depends upon the amount in circulation. It may make a great difference to the man who sells wheat whether he receives 50 cents for it or $1, if he has a debt to pay. If a general fall in prices is produced by an appreciation of the value of money, the debtor suffers an injustice and business is retarded because investments become unprofitable. Senator SHERMAN said in 1869, in speaking of the effect of a contracting currency: "To every person except a capitalist out of debt, or a salaried officer or annuitant, it is a period of loss, danger, lassitude of trade, fall of wages, suspension of enterprise, bankruptcy, and disaster."

Senator SHERMAN thus described with great accuracy the condition of the commercial world today. The demonetization of silver and the increas-

ing strain upon gold are making all business unprofitable, except the business of money-loaning.

The great thing to be desired is a stable currency, that is, a dollar whose purchasing power remains the same through long periods of time. The nations of the world will rise up and call him blessed who can devise an honest dollar—a dollar unchangeable in its purchasing power. To secure the desired stability in the value of the monetary unit the volume of money must increase or decrease exactly as the demand for money increases or decreases, and in the same proportion. Laveleye says: "It is desirable that the value of money should remain as stable as possible, and this will be the case so long as its quantity increases in the same proportion as the number of exchanges for which cash is required."

In a speech made in the House of Representatives August 16, 1893, I had the honor to submit some remarks on the relative merits of monometalism and bimetalism, and I shall at this time only compare the advantages of metalic and nonmetalic money. Many dwell upon the term "intrinsic value," as if that gave metalic money its great superiority over paper money, forgetting that a large part of the value of gold and silver is conferred upon those metals by the legislation which makes them money.

If the nations of the world, by agreement, should substitute some other kind of money for gold and silver, the value of both, as measured by other kinds of property, would fall. Gold has been increased in value by the increased demand caused by legislative action. The chief advantage of metalic money lies in the fact that its total amount is so large,

compared with the annual supply available for coinage, that the fluctuation of the unit is reduced to a minimum. Prof. Perry very happily expresses this advantage when he says:

"The amount of gold and silver in circulation in the commercial world, to say nothing of the quantity so easily brought into circulation from the reservoir of plate, is so vast that it receives the annual contributions from the mines much as the ocean receives the waters of the rivers, without sensible increase of its volume, and parts with the annual loss by detrition and shipwreck as the sea yields its waters to evaporation, without sensible diminution of its volume. The yearly supply and the yearly waste are small in comparison with the accumulations of ages; and, therefore, the relations of the whole mass to the uses of the world, and the purchasing power of any given portion remain comparatively steady."

The total amount of gold and silver coin which could be added annually to the world's metalic money cannot reach $200,000,000, and may not exceed a hundred and fifty millions. This is only from 2 to 2½ per cent. of the present volume of metalic money. As this represents the total annual increase, it is evident that the variation in the increase from year to year is exceedingly small.

Since this annual increase, being derived from an almost countless number of sources, is independent of human caprice, and cannot be profitably regulated by any combination, metalic money has been accepted by the commercial world as the best money, because least liable to fluctuation. But even metalic money is not absolutely stable and has at times undergone violent changes. Prof. Perry estimates that after the discovery of the silver mines of Potosi, about the middle of the sixteenth century, silver fell

in purchasing power to 25 per cent. of its former value, and Prof. Jevons is quoted as saying that the purchasing power of gold fell 15 per cent. after the California discoveries.

There has been a large increase in the value of gold during the last twenty years, but it is due to the increased demand for it rather than to a decreased production. Some have estimated that the value of the uncoined gold and silver in the world exceeds the value of the coined. If that be true, legislation might cause great fluctuation in the value of metalic money. If, for instance, all the nations should agree to compel the coinage of all gold and silver now held as merchandise and to prevent the future use of gold and silver, except for coinage, the result would be an enormous increase in the volume of metalic money and a fall in the purchasing power of each dollar.

So legislation, encouraging the greater use of gold and silver in the arts, or legislation limiting the amount of either metal coined, would tend to lessen the volume and to increase the purchasing power of each dollar. It is worthy of note that those who have most vigorously defended the metalic theory of money on the ground that its volume is independent of human control have been the first to attempt control when the dollar began to fall in value. Three nations demonetized gold after the discoveries of 1849, in order to prevent the gold dollar from becoming "cheap," and several nations demonetized silver after 1872, for fear it would become "cheap."

Every law which affects the total amount of gold

and silver money affects the value of each dollar of that money. Some desire to abandon gold and silver as money entirely, but I have not been able to bring myself to this conclusion. It is true that men have at times tried to corner the supply of metalic money, and have used it to injure and oppress their fellows, but all of the blessings of life can be abused and turned to our injury. Before abandoning these metals, peculiarly fitted for money, let us endeavor by legislation to prevent the misuse of them.

No language is too strong to describe the guilt of those who are engaged in the conspiracy to reduce the volume of metalic money by the destruction of silver as standard money. The Creator, as infinite in love as in power, has supplied legitimate means for the gratification of every human need. When He implanted in man's body the desire for food He scattered over the face of the earth an abundance with which to satisfy his hunger; when He gave him thirst He filled the ground with veins of water and planted living springs along the hillsides; when He permitted weariness to creep over the limbs of the toiler He sent sleep, "Tired nature's sweet restorer," to renew his strength; when He gave to man a mind capable of development and filled it with a yearning for knowledge He placed within his reach the means of instruction and surrounded him with opportunities for study; and when He made man a social being, fitted him for companionship with his fellows, and fashioned the channels of trade, He stored away in the mountains the gold and silver needed for the world's currency.

I may be in error, but in my humble judgment

he who would rob man of his necessary food, or pollute the springs at which he quenches his thirst, or steal away from him his accustomed rest, or condemn his mind to the gloomy night of ignorance, is no more an enemy of his race than the man who, deaf to the entreaties of the poor and blind to the suffering he would cause, seeks to destroy one of the money metals given by the Almighty to supply the needs of commerce.

I have on a former occasion referred to the language used by Secretary Carlisle in 1878, then a Representative in Congress, to describe the effect of the annihilation of silver. I quote his words again, because they present the danger which confronts us in words so clear, so forcible, and so emphatic that nothing can be added to them. In speaking of the "conspiracy" to destroy "from three-sevenths to one-half of the metalic money of the world," he says: "The consummation of such a scheme would ultimately entail more misery upon the human race than all the wars, pestilences, and famines that ever occurred in the history of the world."

Do we appreciate what that means? Do we realize what is to follow the consummation of that "conspiracy," the perpetration of that "crime?" Can we conceive the force, the full purport, the meaning of those words? Can we call up before the mind's eye every battlefield of the past? Can we review that history which, from the time when Cain killed Abel until now, has been little more than a record of warfare? Can we look upon the innumerable number slain by javelin and spear and sword and shot and shell? Can we see in imagination the

faces of the dead, disfigured by pain and anguish? Can we think, too, of those made husbandless and fatherless by their death? Can we measure the tears shed in the service of Mars? Can we add to those who fell in battle and who were wounded there, all those who have succumbed to pestilence? Aye, can we crowd into our thoughts, not only the pestilence which have from time to time scourged the fair earth, but also add to them the famines which have at times swept thousands and tens of thousands into the grave? Can we collect and comprehend all the misery, and all the suffering, and all the sorrow, that these three dread destroyers have wrought? And when we have put them all into one group, when we have prest them all together, can we imagine that the consummation of that "crime" means more of misery than all combined?

It is because we measure, to some extent, because we appreciate, at least in part, the misery that is to follow, that we have felt it our duty as well as our privilege—our duty to ourselves, our duty to our families, our duty to our country, our duty to our God—to cry out against the consummation of that conspiracy! And we do it, not to help the silver miners—we do it for Humanity!

So long as there is a sufficient supply of metalic money to meet the needs of commerce a reliance upon that supply gives to the people protection against those variations in the value of the monetary unit which might be caused by legislative action. The inconvenience of handling the coin itself can be avoided by the use of certificates which, since they merely replace an equal amount of coin, do not

affect the volume of the currency. But the acceptability of metalic money as the only standard money depends upon its sufficiency to supply an adequate currency.

Some, who are ready to use the power of the Government to limit the supply of money, in order to prevent injustice to the creditor, are slow to admit the right of the Government to increase the currency when necessary to prevent injustice to the debtor. I denounce that cruel interpretation of governmental power which would grant the authority to starve, but would withhold the authority to feed our people—which would permit a contraction of our currency, even to the destruction of all prosperity, but would prohibit the expansion of our currency to keep pace with the growing needs of a growing nation!

Excluding the certificate, which is not really an addition to the currency, but rather a substitution of one form of money for another, there are two kinds of paper money, namely, redeemable and irredeemable paper. Redeemable paper has two advantages of special importance. It conforms to the prejudice of mankind in favor of metalic money, and retains their confidence in the money as a medium of exchange.

Custom is a very potent factor to be taken into consideration, for the average man is conservative and accepts innovations with great reluctance. The second advantage inherent in redeemable paper is that, being related in quantity to the volume of metalic money, its amount is not quite so dependent upon caprice, and therefore the value of the mone-

tary unit is likely to remain more stable. Just to what extent general prices are influenced by an issue of redeemable money it is difficult to determine. That such a dollar is not equal in its effect upon prices to an irredeemable or metalic dollar is evident, for some coin must be held to insure prompt redemption, and the amount so held is an offset to an equal amount of redeemable paper outstanding.

The possible demand for additional coin at any time to pay such notes on demand, to an indefinite extent, reduces the value of such notes as an addition to the currency. There can be no question that the influence of a given amount of redeemable paper on the volume of the currency will increase as the probability of presentation for redemption decreases. And there can be no doubt that a paper money which is a full legal tender for all debts, public and private, being less liable to return for redemption, will, dollar for dollar, affect the volume of the currency more than non-legal tender paper.

An irredeemable paper currency, properly limited, will affect the volume of the currency, and therefore prices, to the same extent as a like addition of metalic money. That a government can issue and maintain an irredeemable paper currency, when strictly limited in volume, is not open to controversy. John Stuart Mill, in his "Principles of Political Economy," both admits the possibility of maintaining an irredeemable currency, and forcibly points out the dangers which beset such a monetary system. He says:

"In the case supposed, the functions of money are performed by a thing which derives its power of performing

them solely from convention, but convention is quite sufficient to confer the power, since nothing more is needful to make a person accept anything as money and even at any arbitrary value, than the persuasion that it will be taken from him on the same terms by others.

* * * * * *

"After experience had shown that pieces of paper of no intrinsic value, by merely bearing upon them the written profession of being equivalent to a certain number of francs, dollars, or pounds, could be made to circulate as such, and to produce all the benefit to the issuers which could have been produced by the coin which they purported to represent, governments began to think that it would be a happy device if they could appropriate to themselves this benefit, free from the condition to which individuals issuing such paper money substitutes for money were subject, of giving, when required, for the sign, the thing signified.

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"Such a power, in whomsoever vested, is an intolerable evil. All variations in the value of the circulating medium are mischievous; they disturb existing contracts and expectations, and the liability to such changes renders every pecuniary engagement of long date entirely precarious. The person who buys for himself, or gives to another, an annuity of £100, does not know whether it will be equivalent to £200 or to £50 a few years hence.

"Great as this evil would be if it depended only on accident, it is still greater when placed at the arbitrary disposal of an individual, or a body of individuals, who may have any kind or degree of interest to be served by an artificial fluctuation in fortunes, and who have at any rate a strong interest in issuing as much as possible, each issue being in itself a source of profit. Not to add that the issuers may have, and in the case of a government paper always have, a direct interest in lowering the value of the currency because it is the medium in which their own debts are to be computed."

Irredeemable currency can only be issued by the Government. When the volume, and therefore the value, of money is determined entirely by the legislature, the value of all property becomes subject to an act of Congress, and debts increase or decrease in amount according to the latest legislative decree.

A legislative body has two difficulties to contend with in wisely fixing the volume of the currency—first, the lack of knowledge as to the amount of money needed, and, second, the conflicting interests of creditor and debtor forces. We must assume that Congress is composed of men of average intelligence and average honesty. It might be difficult to prove more, and to admit less would cast a reflection upon their constituents. But men of average intelligence will widely differ as to the amount of money needed now and as to the necessary annual increase or decrease. This difference of opinion will arise partly because the representatives look at the subject from different standpoints, and partly because of the great number of elements which must be considered. Population is a factor, for it will require more money for one hundred persons than for ten to transact the same business and make the same number of exchanges. The density of population is a factor, for it will require more money per capita, other things being equal, in a sparsely settled than in a thickly populated country.

The banking facilities and facilities for exchange must be considered, altho we must not conclude that every check or draft lessens *pro tanto* the amount of money needed. We must also calculate the difference between the need for money in a nation whose resources are exhausted and the need for money in a nation which is progressing and developing. These are suggested as some, not all, of the factors to be considered in determining the amount of money needed at a given time and the amount to

be supplied or withdrawn annually in order to make the dollar stable in its purchasing power.

It is no reflection on the intelligence of the legislative body to say that it might find it very difficult to adjust with equity the volume of the currency to the varying needs of the people. The second difficulty is, perhaps, still greater. In the long run the representative will correctly reflect the opinions and interests of his constituents, or, at least, of that portion of his constituency which controls public sentiment. As different portions of our country have different interests we could expect a continual struggle with varying success between those who favor more and those who favor less money. This conflict forces itself upon us, to some extent, even under present conditions.

Some assert now that our financial depression is due to a flood of money, while others assert that it is due to a drought of money. The creditor, through his representative, will view with composure a decrease in the currency, because it will benefit him, but he will contend with heroic fortitude against any "wild and dangerous inflation of the currency." The debtor, on the other hand, through his representative, will regard as providential any increase of the currency which will lighten his debt, but will resist as a great injustice any attempt to make money dearer by law.

A constitutional regulation would be more permanent, but it would make it difficult to correct a mistake. When I remember how the creditor has overreached the debtor in the financial legislation of the last thirty years; when I remember how great mon-

eyed interests, acting as a unit, have secured legislation against the unorganized masses, I hesitate to see any legislative body exercise the power to issue irredeemable paper and fix the volume thereof. In my judgment, the Government will not be compelled to resort to this money system, unless the pretended friends of a "sound currency" make it necessary by the complete demonetization of silver as a standard money. We may rest assured, however, that the people in a free government always reserve the right of self-preservation, and will exercise the power to provide for their own welfare.

Whenever the time comes, therefore, if it ever does, that the people must choose between a constantly appreciating metalic money and an irredeemable paper money which gives a hope of relief, they will choose the latter system, with all its defects and dangers. The choice may be avoided for the present by the full and immediate restoration of silver to its place as a coordinate part of the metalic money of the world. Later, if that is not sufficient to secure stability in the monetary unit, it may be wise to prevent the use of gold and silver for any purpose excepting coinage.

Redeemable paper money may be issued by the General Government or by private persons or corporations. If States could emit bills of credit and make them good, either by coin redemption or by investing them with legal tender qualities, we might be called upon to choose between notes issued by the States and notes issued by the General Government; but the Constitution of the United States expressly prohibits States from issuing bills of credit and

from making anything but gold and silver a legal tender, while it permits the General Government to issue its notes and make them a legal tender.

If we have redeemable paper, then, it must be issued by the General Government or by private authority under the direction of Congress or the State legislatures. It may be worth while to submit an authority on the power of the General Government to issue paper money and to make it a legal tender for debt. An opinion was rendered by the Supreme Court of the United States at the October term, 1883 (110 U. S. Rep., 421), in what is known as the Legal Tender Case, which settles this question in so far as it can be settled by the courts. The opinion delivered by Justice Gray was concurred in by eight of the nine judges, and covers every phase of the case. I quote the following extracts from the opinion:

"It appears to us to follow, as a logical and necessary consequence, that Congress has the power to issue the obligations of the United States in such form and to impress upon them such qualities as currency for the purchase of merchandise and payment of debts as accord with the usage of sovereign governments. The power, as incident to the power of borrowing money and issuing bills or notes of the Government for money borrowed, of impressing upon those bills or notes the quality of being a legal tender for the payment of private debts, was a power universally understood to belong to sovereignty, in Europe and America, at the time of the framing and adoption of the Constitution of the United States. . . . The power of issuing bills of credit and making them, at the discretion of the legislature, a tender in payment of private debts, had long been exercised in this country by the several colonies and States; and during the Revolutionary war the States, upon the recommendation of the Congress of the Confederation, had made the bills issued by Congress a legal tender. . . .

"The exercise of this power, not being prohibited to Con-

gress by the Constitution, it is included in the power expressly granted to borrow money on a credit of the United States. . . . Under the power to borrow money on the credit of the United States, and to issue circulating notes for the money borrowed, its power to define the quality and force of those notes as currency, is as broad as the like power over a metalic currency under the power to coin money and to regulate the value thereof. Under the two powers, taken together, Congress is authorized to establish a national currency, either in coin or in paper, and to make that currency lawful money for all purposes as regards the National Government or private individuals. The power of making the notes of the United States a legal tender in payment of private debts, being included in the power to borrow money and to provide a national currency, is not defeated or restricted by the fact that its exercise may affect the value of private contracts. . . .

"Such being our conclusion in matter of law, the question whether at any particular time, in war or in peace, the exigency is such, by reason of unusual and pressing demands on the resources of the Government, or of the inadequacy of the supply of gold and silver coin to furnish the currency needed for the uses of the Government and the people, that it is, as a matter of fact, wise and expedient to resort to this means, is a political question, to be determined by Congress when the question of exigency arises, and not a judicial question to be afterwards passed on by the courts."

John C. Calhoun recognized the right of the Government to issue paper money when he said in 1816:

"The right of making money, an attribute of sovereign power, a sacred and important right, was exercised by 260 banks, scattered over every part of the United States, not responsible to any power whatever for their issues of paper."

Thomas Jefferson, the Modern Lawgiver, who, from his mountain home, as from a second Sinai, brought down the Truth to his followers, not graven upon stone but written in the hearts of men, recognized both the right and the advantage of Government paper. In a letter written from Monticello, June 24, 1813, to John W. Epps, he said:

"This is equivalent to borrowing that sum, and yet the vendor, receiving payment in a medium as effectual as coin for his purchases or payments, has no claim to interest. And so the nation may continue to issue its bills as far as its wants require and the limits of the circulation will admit. . . . But this, the only resource which the Government could command with certainty, the States have unfortunately fooled away, nay, corruptly alienated to swindlers and shavers, under the cover of private banks. . . . The States should be applied to, to transfer the right of issuing circulating paper to Congress exclusively, in perpetuum, if possible, but during the war at least, with a saving of charter rights."

Six years later, in a letter written to Mr. Rives, November 28, 1819, Jefferson went even farther, and said:

"Interdict forever, to both the State and National Governments the power of establishing any paper banks, for without this interdiction we shall have the same ebbs and flows of medium and the same revolutions of property to go through every twenty or thirty years."

Assuming, then, that the United States can issue paper money and make it a legal tender, and that no other power can issue legal tender money; assuming that Congress can establish national banks and authorize them to issue paper redeemable in lawful money; and assuming that the States, unless prevented by some direct prohibition, or by some indirect means like the 10 per cent. tax, can authorize banks to issue paper redeemable in lawful money, let us consider which kind of paper money should be issued when paper money is needed. Admitting, in other words, the right to use various kinds of paper money, which kind is best? My investigation has led me to the conclusion that the General Government not only has the right to issue all needed

paper money, but, since it alone can issue legal tender money, is in duty bound to provide a currency sufficient for the needs of commerce.

Not only should the General Government supply all needed paper money, but it should make all money—that is, its gold, silver, and paper—a full legal tender for all debts, public and private, and should not permit the making of any contract hereafter for a particular kind of money. That the Government has a right to prohibit special contracts in money cannot be doubted. If it has a right to make any kind of money a legal tender, it has a right to prevent any citizen from demonetizing that money by contract. Our Supreme Court has held that the United States notes were a legal tender for debts contracted previously when only gold and silver were considered standard money.

The French courts have held that the notes of the Bank of France cannot be refused as payment, even when there is a prior special contract. The fact that the coinage laws of 1878 and 1890 contained an exception would indicate that, without such an exception, it would be unlawful to contract for a particular kind of money even without an exprest prohibition, for, why should the law contain the words "except where otherwise expressly stipulated in the contract," if a citizen could without that exprest permission discriminate by contract in favor of, or against, a particular kind of money?

There are some who deny that the Government should enact any legal tender law whatever. Those who hold to this opinion believe that everything should be left to contract. They scrupulously guard

what they call "the right of private contract"; but there can be no freedom of contract unless the parties stand upon an equal footing. Where one party is under duress it is not freedom of contract, but freedom to extort. The debtor and the creditor do not necessarily stand on the same plane. It is as true now as it was when the wise man declared it, that "the borrower is a servant to the lender," and is not at all times able to contract on equal terms with the man from whom he obtains the money. Jefferson, in speaking of the tendency of men to follow their selfish instincts and to take advantage of their fellows, once said:

"Such being our conclusion in matter of law, the question whether at any particular time, in war or in peace, the the governments of Europe, and to the general prey of the rich on the poor."

It was Jefferson also who declared that one of the important duties of government is "to restrain men from injuring one another." I was riding through Iowa a few weeks ago, when I noticed some hogs destroying the sod in a pasture. It took me back to the days when I lived upon a farm, and I recalled the means by which we prevented hogs from rooting.

Rings were put in their noses, not to prevent their eating, because we wanted them to get fat, but in order that they might not destroy more than they were worth while they were getting fat. And, as I was thinking of this restraint placed upon the hogs, it occurred to me that the Government is often compelled to imitate the farmer, and to put rings in the noses of hogs. When restrictions are placed upon the dealings of man with man, the Government

is simply putting a ring in the nose of some human hog, not to prevent him from taking advantage of his energy, his industry, or his ability, but to prevent him from interfering with the equal rights of others.

I do not mean to use the word hog in an offensive sense, but simply to describe those selfish instincts which we all possess, and which, unless properly curbed, do harm to others. We have no more right to use a fortune as a means of oppression than we have to use a club, and when we speak of a man's right to enjoy that which his ability can procure we do not mean to justify the pickpocket, the burglar, or the highwayman in the exercise of his peculiar talents. It is only by the exercise of a most watchful restraint that government can secure to the citizen the right to life and liberty, and also to the pursuit of happiness, with some prospect of overtaking it.

All legal tender laws are intended to protect the debtor from unreasonable demands. Non-legal tender money multiplies the opportunities of the sharper, and places a weapon in the hands of avarice. The same public policy which justifies a legal tender law and a law limiting the rate of interest justifies a law preventing special contracts for a particular kind of money. In fact, it is much more important to prevent such contracts than it is to regulate the rate of interest, for only the debtor and creditor may be concerned in the rate of interest, while speculation in a particular kind of money may affect the whole community.

The tendency of special contracts is to create a

demand for a particular kind of money, and the demand, if great enough, will raise that kind of money to a premium. Thus such contracts may destroy the parity between various kinds of money, and the creditor then takes advantage of his own wrong by collecting a dollar appreciated in part by his own act. If these contracts are prohibited no hardship is brought to the creditor, for the money which he receives will be as useful to him as it was to the debtor. The great mass of the people are so situated that they can never profit by the right to contract for a particular kind of money, but are always in danger of loss from it. Is it not time to declare by law that that money which the Government makes good for the ninety-nine common people is good enough for the one uncommon person who wants to obtain an advantage by a special contract?

But I must return to the comparison between Government money and bank notes. I have already mentioned the advantage of Government paper over bank paper, arising from the fact that the former can be invested with legal tender qualities. One of the great objections to bank notes is that they can only be secured through legislation which violates the Democratic principle of "equality before the law." The language used by Andrew Jackson, in the veto message sent to Congress July 10, 1832, is as applicable to State banks as to national banks, and as applicable to the banks of our times as to the banks of his day. The truth, so forcibly expressed by the hero of New Orleans, like all great truths, lives through all generations, and I com-

mend it to those who insist that banks of issue are Democratic institutions. Jackson said:

"It is to be regretted that the rich and powerful too often bend the acts of Government to their selfish purposes. Distinctions in society will always exist under every just government. Equality of talents, of education, or of wealth cannot be produced by human institutions. In the full enjoyment of the gifts of Heaven and the fruits of superior industry, economy, and virtue every man is equally entitled to protection by law. But when the laws undertake to add to those natural and just advantages artificial distinctions —to grant titles, gratuities, and exclusive privileges—to make the rich richer and the potent more powerful—the humble members of society, the farmers, mechanics, and the laborers, who have neither the time nor the means of securing like favors to themselves, have a right to complain of the injustice of their government.

"There are no necessary evils in government. Its evils exist only in its abuses. If it would confine itself to equal protection, and, as Heaven does its rains, shower its favors alike on the high and the low, the rich and the poor, it would be an unqualified blessing.

* * * * * *

"Every monopoly and all exclusive privileges are granted at the expense of the public, which ought to receive a fair equivalent. The many millions which this act proposes to bestow on the stockholders of the existing banks must come directly or indirectly out of the earnings of the American people."

No person or corporation has a natural right to issue money. It is "an attribute of sovereignty," and the banks can no more demand as a right the power to supply a currency for the people than they can demand the right to enact laws for the general government of the people. I trust I shall not offend any one when I say that banks are not eleemosynary or philanthropic institutions. They have their place in society and, when they conduct themselves properly, contribute to the welfare of

society just as every good citizen contributes to the welfare of society by his services. The business of loaning and discounting is not necessarily connected with issuing money, and if the banks join to their legitimate business the issue of paper which is to pass as money we may rest assured that they will do it for the profit there is in it.

National banks do not make as much now as they did during the war, but they are still able to realize on the money actually invested in circulating paper more than the average business man can expect to make on invested capital. The official reports usually spread the profits of a national bank over its entire business capital, and thus make it appear that the profit on circulation is less than it really is. Take, for instance, a national bank which desires to issue currency. It can now buy 2 per cent. bonds at about par. If the bank invests $100,000 in bonds it can deposit them with the Comptroller and receive $90,000 in bank notes. Four thousand and five hundred dollars will be held back as a reserve, but as this sum can be counted by the bank as a part of its necessary reserve, it is the same as if it was in its vaults.

The $90,000 received in bank notes replaces so much of the capital expended for the purchase of bonds, so that the amount actually invested in circulating notes is $10,000. On that sum the bank makes about 10 per cent., for it receives $2,000 interest and pays out $900 as a tax on circulation and about $100 (estimated) for the expense of taking out currency. We need not investigate the profit made on the bank's capital, because the $90,000 re-

ceived in bank notes is as good as ninety thousand of the one hundred thousand paid for bonds.

To calculate the actual profit made by the issue of national bank notes we need to know only the difference between the notes received and the amount paid for the bonds. When that is known, we can find the rate of profit by subtracting the expenses of the circulation (including tax) from the interest on the bonds. Some have proposed, during this debate, to allow the banks to issue notes to the full face of the bonds instead of to 90 per cent. of the face, and have also proposed to take off the 1 per cent. tax on circulation. If these two changes are made, the rate of profit will be largely increased, because there will be no money actually invested in the 2 per cent. bonds, unless the bonds go to a premium, and, the 1 per cent. on circulation being removed, the interest on the bonds will be almost clear profit.

When the national banks were first organized there was still more profit in the circulation. When, for instance, gold was at 200 per cent., a bank could borrow $50,000 in gold and with it purchase $100,000 in greenbacks. With $100,000 in greenbacks it could buy $100,000 worth of 6 per cent. bonds, and on these bonds could secure $90,000 in bank notes. With the $90,000 in bank notes it could buy $45,000 worth of gold and repay all but $5,000 of the gold first borrowed. On its investment of $5,000 in gold —for that would be the amount really invested—it would draw interest in gold to the amount of $6,000 on the bonds.

After deducting the tax on circulation and the

expense of procuring circulation the bank would make in the transaction described nearly 100 per cent. on the money actually invested. Thus did patriotism brings its just (?) recompense to those who, as the financiers say, "came to the nation's rescue in the hour of peril." Why should the law thus discriminate between citizens? If a farmer owns a Government bond, he can only draw interest on the bond. If a bank holds the bond, it can not only draw interest on it, but can use nearly all of the money called for by the bond besides. The farmer "can either eat his cake or keep it," but the banker is allowed to both "eat his cake *and* keep it."

Some one may say, in answer to this, that the farmer can go into the banking business if he likes, but that is no justification for class legislation. Shall we vote a bounty of $1,000 a year to every lawyer, and justify it by the assertion that the legal profession is open to every one? Shall we vote a bounty of $1,000 a year to every farmer, and justify it on the ground that every person can become a farmer? The national bank note is good only because the Government is behind it. The bank note is redeemable in a greenback, and during the war greenbacks and bank notes circulated together. If the Government wants to issue notes through the banks, why does it not withhold the interest on the bonds so long as the banks use the money.

A State bank circulation is open to the same objection, that is, that the Government singles out some person or class of persons and grants to them a special and valuable privilege denied to others.

If a State bank was required to deposit with the State authorities an amount of money equal to the currency issued, there would be no addition to the circulation and no profit to the bank. What the State bank wants is the power to issue money, either on its credit or on security deposited. If the bank issues money on its credit it is permitted to create value for its own advantage; if it issues money on deposited security it enjoys a privilege similar to that now given to the national bank, that is, it receives the interest on securities, and at the same time uses a part of the money invested in the securities, and at the same time uses a part of the money invested in the securities.

One plan proposed for the regulation of State banks provides that the bank may issue 150 per cent. on its capital stock by holding one-half of its capital to redeem the notes and investing the other half in certain kinds of bonds. The bank, under such a law, if its capital stock amounted to $100,000, would be able to issue $150,000. Fifty thousand of the money issued would be needed to offset the fifty thousand held for redemption, and another fifty thousand would reimburse the bank for the amount invested in bonds. This would square the bank for its investment, and it would receive as a consideration for its services the use of the remaining fifty thousand to loan and the interest on the fifty thousand dollars worth of bonds deposited for security. Why should the bank be given this advantage over the ordinary citizen? There is no magical means by which the laborer can increase the capital which he has saved from his toil. If he invests his earn-

ings in State or municipal bonds, he must content himself with the interest only.

Why is he not as much entitled to favorable consideration as the citizen who goes into the banking business? And, again, why should the Government discriminate between different kinds of property? If a bondholder can, by going into a bank, use both the interest on the bond and the money for which it calls, why not let the landowner put up his land as a security for money, and at the same time draw a profit from its cultivation?

The plan, proposed by some, of issuing money on land at a low rate of interest, is simply an application of the national bank and state bank principle to land instead of bonds.

The subtreasury plan is nothing but the application of the same principle to personal property. If it is just to extend this special privilege to the national banker who holds Government bonds and to the State banker who holds State and municipal bonds, why is it not just to extend it to those who hold real and personal property? The difference between bonds and other kinds of property is that the other kinds of property make the bonds valuable, while too many bonds will make all other kinds of property worthless. Bonds, it is true, find a readier sale and are quoted daily in the market, but other forms of property have value just as real.

The difference between loaning on bonds and loaning on property is not a difference in principle, but a difference in the character of the security. If it is safe to issue on bonds at par, or up to 90 per cent. of their face, it would certainly be safe to

issue on other kinds of property up to 50 per cent. or 25 per cent. or at least to 10 per cent. of their market value. I make this comparison between the national banking principle and the subtreasury idea, not to justify the policy of issuing money on land or personal property—for I think it is better to eradicate a vicious principle than to extend its application—but to show that the principle which our financiers denounce as wild and visionary when proposed by the farmers is the same principle which our bondholders have advocated with great profit to themselves.

If it is said that we must institute banks of issue in order to put money into circulation, I answer that there is a better way. The issue of money by the Government directly to the people gives us a safer money and saves to the people as a whole the profit arising from its issue. When a bank issues money you must pay the market rate of interest in order to get it, but when the Government issues money the people save the interest, if the money is afterward called in, and they save the principal also if the money is kept in circulation. Numerous plans have been suggested for putting this money into circulation. Some have an idea that a Government issue can only be put forth by loaning it to the people, either directly or through the agency of banks.

There are, in my judgment, other and better ways. If a limited amount is issued, and of course the amount must be strictly limited, and it is loaned to the people, partiality will be shown in its distri-

bution, for only a few, relatively speaking, can be accommodated.

But aside from the danger of placing so great a power in the hands of a dominant party, there are plans more just and equitable than that of loaning. The money can be used to pay the expenses of the Government, as the greenbacks now in circulation were issued to pay the expenses of war. If Congress decides to increase the currency a certain amount annually, say for illustration fifty millions a year, it can reduce the tax levy to that extent and the people will receive the benefit of the issue just in proportion as they pay taxes, for they will save to that extent the taxes which they would otherwise pay.

Perhaps our well-to-do friends who object to the income tax, and also oppose an increase in the volume of currency, would be willing to compromise on an issue of money to take the place of a part of the income tax. The tariff on some of the necessaries of life might be reduced and the deficit made up by an issue of money. Perhaps the beneficiaries of the tariff, and probably the sugar trust, would object, because they want a tariff—not for the revenue which it brings to the Government, but for the revenue which it brings to them. I am indulging the hope, however, that we may in the course of time reach a point in legislative independence when the general public will be able to pass laws for the general good without making a treaty with the aggregations of capital which infest Washington during the sessions of Congress.

If the people do not desire to reduce taxation, Government paper can be issued to pay for special improvements which Congress may deem desirable. Harbors can be deepened and rivers can be improved in this way. I have introduced a bill, now before the Committee on Interstate and Foreign Commerce, which provides for the issue of United States notes, like those authorized in 1862 (now called greenbacks) to an amount not exceeding seventy millions, to pay for the construction of the Nicaragua Canal. This issue would probably increase the currency at a rate of about ten millions a year for seven years.

The canal is of very great military and commercial importance to the United States, and if the Government is going to assist in the building, is it not far better to issue money for the purpose than to borrow money on bonds? I would have preferred to have the money so issued a full legal tender for all debts, public and private, even when hereafter contracted against, but I provided in the bill for notes identical with the greenbacks in order to prevent the discussion of any collateral questions, and to bring a vote on the naked issue, "money or bonds." I have mentioned this one canal, but there are other works of national importance. If we find that the currency needs to be increased and do not desire to reduce taxation, we can, by the issue of a few millions a year, construct a ship canal from Buffalo to the Hudson River, and thus give to the grain of the Northwest ocean rates from Chicago and Duluth to Liverpool, not to speak of the military advantages of such a canal.

We might, by the issue of a few millions a year, connect the Mississippi River with Lake Michigan, and thereby increase the commerce between the Northwest and the South. Money could be issued in another way. We can use any available coin on hand to take up matured bonds and replace the coin so used with paper money. I have introduced a bill during this Congress to provide in this way for the payment of the 2 per cent. bonds now outstanding, payable at the option of the Government and amounting to about $25,000,000. These methods are suggested as legitimate means of distributing Government issues without resorting to money-loaning or to the use of banks. Government paper should be issued in the place of national bank notes as they are retired.

If it is said that more coin will have to be gathered into the Treasury to redeem these new notes, I reply that the Government will need a less reserve for a given amount of paper money than will be required by private banks. Our coin reserve is not now drawn upon except for gold to export and when our patriotic financiers desire a new issue of bonds. Whenever the Government exercises its option by paying coin obligations in silver, when that is more convenient, a much smaller reserve will be sufficient. So long as the option is given to the note holder, the Government is at the mercy of any band of conspirators who may seek to attack the gold reserve, for a small volume of redeemable currency, reissued continually, is sufficient to draw out in the course of time any gold reserve however great. We shall have no difficulty about our re-

serve when we return to the principle of bimetalism, and use the option of paying gold or silver in the interest of the people.

The second great objection to banks of issue—and it applies to both State and national banks—is that it places in the hands of interested parties the power to regulate the volume of the currency, and through it the market value of all other property. I have already spoken of the dangers inherent in a monetary system when the volume of money is regulated by a legislative body. I stated these dangers as strongly as possible, for I believe them to be real dangers which can scarcely be exaggerated, but dangerous as it is to place such tremendous power in the hands of a legislative body, it is infinitely more dangerous to place that power in the hands of banks.

If we depart from metalic money, whose volume is largely dependent on natural laws—if the Government will keep its hands off—we must lodge *somewhere* the power to control the currency. It must be controlled by the Government or by individuals, and we are to choose in which way the stability of the dollar can best be secured. If value becomes a matter of chance when the volume of money is regulated by law, it is no advantage to go from pure chance to loaded dice. I would far rather trust the exercise of this power to representatives who act before the public and are responsible to their constituents, than to bank officers, who act in private and are responsible to no one.

If banks control the volume of money they will control it in their own interest, and will be abso-

lutely indifferent to the general welfare except as it conduces to their own welfare. This is not a harsh criticism of bankers; it is only a declaration that they are human, like other people, and do business on business principles.

Jefferson once said, in speaking of the power of public opinion:

"Cherish, therefore, the spirit of our people, and keep alive their attention. Do not be too severe upon their errors, but reclaim them by enlightening them. If once they become inattentive to public affairs you and I, and Congress and assemblies, judges and governors, shall all become wolves."

If representatives are likely to become wolves, unless restrained by the watchful eyes and the ready reproof of those who elect them, is the temptation not greater when the individual is a financial master instead of a public servant? Let me call attention to Jefferson's opinion of the manner in which banks regulate the volume of the currency. In a letter written from Monticello, November 7, 1819, to John Adams, Jefferson said:

"We were laboring under a dropsical fulness of circulating medium. Nearly all of it is now called in by the banks, who have the regulation of the safety valves of our fortunes, and who condense and explode them at their will."

In a letter written January 24, 1814, to Ex-President Adams, he said:

"I have ever been the enemy of banks, not of those discounting for cash, but of those foisting their own paper into circulation and thus banishing our cash. My zeal against those institutions was so warm and open at the establishment of the Bank of the United States that I was derided as a maniac by the tribe of bank mongers who were seeking to filch from the public their swindling and barren gains."

Some one has already referred to the remarks of President Buchanan on this subject, but they will bear repetition. In his first message to Congress in 1857, when he had before him in plain view the distress caused by the suspension of State banks, he said:

"In all former revulsions the blame might have been fairly attributed to a variety of co-operating causes; but not so upon the present occasion. It is apparent that our existing misfortunes have proceeded from our extravagant and vicious system of paper currency and bank credits, exciting the people to wild speculations and gambling in stocks. These revulsions must continue to recur at successive intervals, so long as the amount of the paper currency and bank loans and discounts of the country shall be left to the discretion of fourteen hundred irresponsible banking institutions, which, from the very law of their nature, will consult the interest of their stockholders rather than the public welfare."

Testimony like this might be submitted to an indefinite amount to show that State banks acted for their own private gain in the issue of money and not for the public good. The fact that national banks have been less reckless than State banks must be credited to circumstances rather than to any special wisdom or virtue in the banks. Being confined to Government bonds as a basis for their money, their notes have been kept at par with greenbacks and the volume of bank notes has not been subject to such violent fluctuations as marked State bank issues. But in so far as they could, national banks have consulted their own pecuniary interest in regulating the volume of outstanding notes. I give below a statement of the volume of national bank notes in circulation on the first day of each month since July 1, 1893:

July 1, 1893...	$178,713,872	Jan. 1, 1894...	$208,538,844
Aug. 1, 1893...	183,755,147	Feb. 1, 1894...	207,862,107
Sept. 1, 1893...	198,980,368	Mar. 1, 1894...	207,479,520
Oct. 1, 1893...	208,690,579	Apr. 1, 1894...	207,875,695
Nov. 1, 1893...	209,311,993	May 1, 1894...	207,833,032
Dec. 1, 1893...	208,948,105	June 1, 1894...	207,245,049

It will be noticed that the volume of notes increased last summer when bonds went down and the issue, therefore, became more profitable, and it will be noticed, also, that the volume decreased afterward, when bonds rose, there being $2,000,000 less in circulation on June 1, 1894, than on November 1, 1893.

The volume is now decreasing, altho the issue of silver certificates has ceased and more money is needed rather than less. The demand made by the banks for the privilege of issuing notes up to the face of their bonds, accompanied by the promise that they will issue more notes if the privilege is granted, is an admission that the issue depends entirely on the profit there is in it, and not upon the demand for more money. When we are trying to destroy other kinds of trusts shall we put ourselves in the power of the worst of all trusts—a money trust?

Another important objection to banks of issue, whether State or national, is that, as soon as they begin the issue of money themselves, they become interested in preventing the circulation of any money which will operate to the injury of their currency. They acquire what they call a "vested interest" in the country's money, insist that it is a breach of faith to disturb the business into which they have been "invited," and resent any inter-

ference whatever with what they regard as their exclusive right to control our finances.

So strongly was Jefferson imprest with this danger that he wrote to John Taylor:

"I sincerely believe with you that banking establishments are more dangerous than standing armies."

We have found the national banks opposing as far as possible a reduction of the bonded debt, because that would diminish the volume of their securities. We have seen them opposing legislation favorable to silver, and prophesying all manner of evil. But they are unlike Cassandra in this, that, while her true prophesy was unheeded, their false prophecy finds ready believers. Just now most of them are fighting the State bank currency because it may destroy their monopoly of bank notes. This is not strange, it is to be expected. Two thousand years ago the silversmiths at Ephesus banded themselves together to drive Paul away because his preaching interfered with their business—the making of images. The cry that went up then was so similar to that which we hear now that it may be worth while to quote the account given in the nineteenth chapter of Acts:

23. And the same time there arose no small stir about that way.

24. For a certain man named Demetrius, a silversmith, which made silver shrines for Diana, brought no small gain unto the craftsmen:

25. Whom he called together with the workmen of like occupation, and said, Sirs, ye know that by this craft we have our wealth.

26. Moreover, ye see and hear, that not alone at Ephesus, but almost throughout all Asia, this Paul hath persuaded and turned away much people, saying that they be no gods, which are made with hands.

27. So that not only this our craft is in danger to be set at naught: but also that the temple of the great goddess Diana should be despised, and her magnificence should be destroyed, whom all Asia and the world worshipeth.

28. And when they heard these sayings they were full of wrath, and cried out, saying, "Great is Diana of the Ephesians."

I am not willing to increase the number of those who have a pecuniary interest in a vicious system of currency; I am not willing to establish throughout the States powerful and influential enemies of financial reform; I am not willing to build up more worshipers of false gods and more makers of images. If we ever expect to bring the Government back to correct principles and eliminate favoritism from legislation, we must *diminish* rather than *multiply* the number of those who, mindful only of their own craft, are willing to drown the voice of Truth with their praise of Diana.

Still another objection to banks of issue is the danger that their notes will become worthless. This danger is now reduced to a minimum in the present national banking system, but as we pay off the public debt and retire the bonds the system must be given up or other securities substituted for Government bonds. Already the matter is being discussed and bills have been introduced providing for various kinds of security. No bank notes can rise in value above the national currency and none can equal it unless guaranteed by the Government. If provision is made for a Government guarantee the banks will make the money and the Government will stand the loss. If the Government does not guarantee the notes, then the note-holder is in constant

danger of loss, so that it is simply a question whether some of the people will suffer or all. It is needless to recount the experiences through which we have passed with State bank paper.

The gentleman from Illinois [Mr. Springer], whose ability, learning, and industry illumine every subject which he discusses, has left little to be said on this branch of the question. Having just passed through a panic we can imagine how much worse it would have been if a large volume of bank paper, fluctuating in value, had contributed another element of uncertainty.

Gentlemen say that we have learned by experience and will avoid the evils which overtook us before. The best evidence that we have not learned by experience is found in the willingness of so many gentlemen to risk the State bank circulation again. Jefferson gave the best definition of government which has ever been suggested when he said: "The whole art of government consists in the art of being honest." And added: "The great principles of right and wrong are legible to every reader; to pursue them requires not the aid of many counselors."

Our forefathers were as honest as we, and understood as well the principles of right and wrong, nor were they more beset than we by the corrupting influences which surround official life, and yet, in spite of their intelligence and their probity, banks were organized without capital and sent forth their worthless paper to cheat and defraud the innocent citizen. We may not only expect a recurrence of these evils under similar circumstances, but, if local bonds are used for security, we may expect to see

bonds voted and public debts incurred in order to secure a foundation for currency. The difficulty lies not in the ignorance of legislators nor in the dishonesty of those who grant bank charters, but in the fact that no legislative body can be trusted to grant special privileges to favored individuals. Whenever it is attempted government becomes an instrument of injustice and law the means of plunder, because the few who receive will always be present and clamorous, while the many who pay remain at home unheeded and unheard. The only sure protection from vicious legislation is to be found in the rigid observance of the old Democratic motto:

"Equal rights to all and special privileges to none."

It has been said that we need a flexible currency, and the bank of issue has been advocated as the only means of securing such a currency. Since the value of a dollar depends upon the number of dollars, it becomes a serious question whether we want a currency whose volume is subject to frequent change.

History has shown that while banks of issue make a currency flexible it is bent to their own interests, and we must remember that the power to expand the currency for the public good carries with it the power to contract the currency for the public harm. It may be, therefore, that even if flexibility is desirable it may be necessarily associated with dangers which would more than offset its advantages. Perhaps what is meant by a flexible currency is a currency which will be in the right place at the right time. One of the oft-repeated arguments in

favor of State bank notes is that they will provide a local currency, and much just complaint has been made against the congestion of money at the great centers of trade. But is this not due to defects in our banking system rather than to defects in our monetary system?

It is now necessary that every bank in the country shall keep a deposit in New York, and, perhaps, in one or two other cities, for purposes of exchange. This tends to make money plentiful in the great cities and scarce in the country.

I desire to suggest a plan which, I think, will remedy this evil, and which will not only establish a banking center in each State, but will save the expense of transporting money. The Government always has on hand a large amount of money stored at its principal treasuries. This money can be kept just as safely if the number of branch offices is increased and the amount divided up. If, for instance, the Government establishes a branch of the Treasury at every State capital and at other large commercial centers, it can receive money at one branch and give a draft on any other branch, and thus relieve the country banks from keeping large deposits far from home. The amount of money at each branch will be so considerable that it will not be necessary to transport money to any great extent, and thus the Government will be able to sell exchange at a low rate, just sufficient to cover expenses. This will aid in the decentralization of money, and will enable us to keep our money at home to a much greater extent than we can now.

It has grieved me much to be compelled to differ

from associates with whom I have agreed on almost every other question; but when the Representative has given to a subject his best thought and investigation, it is his duty to be true to the interests of his constituents and true to his own judgment. Some gentlemen have urged that the Democratic party should yield to the demand for State banks in order to insure victory this fall.

Mr. Jefferson said, in speaking of one of his contemporaries:

"He has not discovered that sublime truth, that a bold unequivocal virtue is the best handmaid even to ambition."

That *is* a sublime truth, and a truth as applicable to a party as to an individual. If the issue of money by private corporations is wrong, the Democratic party cannot afford to favor it for the sake of temporary success.

Great and important as is the State, we cannot afford to allow even a State to substitute a poor local currency for a good national currency. If the General Government ought to issue and control all paper money, let us take up the principle and bear it to victory. Gentlemen have quoted platforms; let me call your attention to the Democratic national platform adopted in 1884:

"We believe in honest money, the gold and silver coinage of the Constitution, and a circulating medium convertible into such money without loss."

Because some of our Democratic brethren have abandoned "the gold and silver coinage of the Constitution," shall we who still hold to that part of the plank surrender the last part and restore a cur-

rency which *may be* convertible only at a *loss.* I know not by what course of reasoning those who depart from the faith may justify their apostacy, but I shall still "hold to the use of both gold and silver as the standard money of the country, and to the coinage of both gold and silver without discrimination against either metal or charge for mintage," and shall oppose the issue of any paper money, except by the General Government, to the end that all such paper money may be "convertible without loss." This position is in line with the teachings of the fathers. Andrew Jackson expressed a great truth when he said:

"There are no necessary evils in government; evils exist only in its abuses."

Is it not better to remove the existing abuses of government than to encourage the establishment of new ones? Can we not better afford to suffer hasty criticisms than to earn permanent censure? Is it not better to climb on through the clouds up to the sunlit summit than to begin a descent even amid applause?

Let us, then, with the courage of Andrew Jackson, apply to present conditions the principles taught by Thomas Jefferson—Thomas Jefferson, the greatest constructive statesman whom the world has ever known; the grandest warrior who ever battled for human liberty! He quarried from the mountain of eternal truth the four pillars upon whose strength all popular government must rest. In the Declaration of American Independence he proclaimed the principles with which there is, without

which there cannot be, "a government of the people, by the people, and for the people." When he declared that "all men are created equal; that they are endowed by their Creator with certain unalienable Rights; that among these are Life, Liberty, and the pursuit of Happiness, and that to secure these rights Governments are instituted among Men, deriving their just powers from the consent of the governed," he declared all that lies between the Alpha and Omega of Democracy.

Alexander "wept for other worlds to conquer" after he had carried his victorious banner throughout the then known world. Napoleon "rearranged the map of Europe with his sword" amid the lamentations of those by whose blood he was exalted; but when these and other military heroes are forgotten and their achievements disappear in the cycle's sweep of years, children will still lisp the name of Jefferson, and freemen will ascribe due praise to him who filled the kneeling subject's heart with hope and bade him stand erect—a sovereign among his peers.

VII

IN THE CHICAGO CONVENTION

Delivered on July 8, 1896, in closing the debate on the adoption of the platform. This is sometimes called "The Cross of Gold" speech and sometimes "The Crown of Thorns" speech.

I WOULD be presumptuous, indeed, to present myself against the distinguished gentlemen to whom you have listened if this were a mere measuring of abilities; but this is not a contest between persons. The humblest citizen in all the land, when clad in the armor of a righteous cause, is stronger than all the hosts of error. I come to speak to you in defense of a cause as holy as the cause of liberty—the cause of humanity.

When this debate is concluded, a motion will be made to lay upon the table the resolution offered in commendation of the administration, and also the resolution offered in condemnation of the administration. We object to bringing this question down to the level of persons. The individual is but an atom; he is born, he acts, he dies; but principles are eternal; and this has been a contest over a principle.

Never before in the history of this country has there been witnessed such a contest as that through which we have just passed. Never before in the history of American politics has a great issue been fought out as this issue has been, by the voters

of a great party. On the fourth of March, 1895, a few Democrats, most of them members of Congress, issued an address to the Democrats of the nation, asserting that the money question was the paramount issue of the hour; declaring that a majority of the Democratic party had the right to control the action of the party on this paramount issue; and concluding with the request that the believers in the free coinage of silver in the Democratic party should organize, take charge of, and control the policy of the Democratic party. Three months later, at Memphis, an organization was perfected, and the silver Democrats went forth openly and courageously proclaiming their belief, and declaring that, if successful, they would crystallize into a platform the declaration which they had made. Then began the conflict. With a zeal approaching the zeal which inspired the crusaders who followed Peter the Hermit, our silver Democrats went forth from victory unto victory until they are now assembled, not to discuss, not to debate, but to enter up the judgment already rendered by the plain people of this country. In this contest brother has been arrayed against brother, father against son. The warmest ties of love, acquaintance and association have been disregarded; old leaders have been cast aside when they have refused to give expression to the sentiments of those whom they would lead, and new leaders have sprung up to give direction to this cause of truth. Thus has the contest been waged, and we have assembled here under as binding and solemn instructions as were ever imposed upon representatives of the people.

We do not come as individuals. As individuals we might have been glad to compliment the gentleman from New York (Senator Hill), but we know that the people for whom we speak would never be willing to put him in a position where he could thwart the will of the Democratic party. I say it was not a question of persons; it was a question of principle, and it is not with gladness, my friends, that we find ourselves brought into conflict with those who are now arrayed on the other side.

The gentleman who preceded me (ex-Governor Russell) spoke of the State of Massachusetts; let me assure him that not one present in all this convention entertains the least hostility to the people of the State of Massachusetts, but we stand here representing people who are the equals, before the law, of the greatest citizens in the State of Massachusetts. When you (turning to the gold delegates) come before us and tell us that we are about to disturb your business interests, we reply that you have disturbed our business interests by your course.

We say to you that you have made the definition of a business man too limited in its application. The man who is employed for wages is as much a business man as his employer, the attorney in a country town is as much a business man as the corporation counsel in a great metropolis; the merchant at the cross-roads store is as much a business man as the merchant of New York; the farmer who goes forth in the morning and toils all day—who begins in the spring and toils all summer—and who by the application of brain and muscle to the natural resources of the country

creates wealth, is as much a business man as the man who goes upon the board of trade and bets upon the price of grain; the miners who go down a thousand feet into the earth, or climb two thousand feet upon the cliffs, and bring forth from their hiding places the precious metals to be poured into the channels of trade are as much business men as the few financial magnates who, in a back room, corner the money of the world. We come to speak for this broader class of business men.

Ah, my friends, we say not one word against those who live upon the Atlantic coast, but the hardy pioneers who have braved all the dangers of the wilderness, who have made the desert to blossom as the rose—the pioneers away out there (pointing to the West), who rear their children near to Nature's heart, where they can mingle their voices with the voices of the birds—out there where they have erected schoolhouses for the education of their young, churches where they praise their Creator, and cemeteries where rest the ashes of their dead—these people, we say, are as deserving of the consideration of our party as any people in this country. It is for these that we speak. We do not come as aggressors. Our war is not a war of conquest; we are fighting in the defense of our homes, our families, and posterity. We have petitioned, and our petitions have been scorned; we have entreated, and our entreaties have been disregarded; we have begged, and they have mocked when our calamity came. We beg no longer; we entreat no more; we petition no more. We defy them.

The gentleman from Wisconsin has said that he

fears a Robespierre. My friends, in this land of the free you need not fear that a tyrant will spring up from among the people. What we need is an Andrew Jackson to stand, as Jackson stood, against the encroachments of organized wealth.

They tell us that this platform was made to catch votes. We reply to them that changing conditions make new issues; that the principles upon which Democracy rests are as everlasting as the hills, but that they must be applied to new conditions as they arise. Conditions have arisen, and we are here to meet these conditions. They tell us that the income tax ought not to be brought in here; that it is a new idea. They criticize us for our criticism of the Supreme Court of the United States. My friends, we have not criticized; we have simply called attention to what you already know. If you want criticisms, read the dissenting opinions of the court. There you will find criticisms. They say that we passed an unconstitutional law; we deny it. The income tax law was not unconstitutional when it was passed; it was not unconstitutional when it went before the Supreme Court for the first time; it did not become unconstitutional until one of the judges changed his mind, and we cannot be expected to know when a judge will change his mind. The income tax is just. It simply intends to put the burdens of government justly upon the backs of the people. I am in favor of an income tax. When I find a man who is not willing to bear his share of the burdens of the government which protects him, I find a man who is unworthy to enjoy the blessings of a government like ours.

They say that we are opposing national bank currency; it is true. If you will read what Thomas Benton said, you will find he said that, in searching history, he could find but one parallel to Andrew Jackson; that was Cicero, who destroyed the conspiracy of Cataline and saved Rome. Benton said that Cicero only did for Rome what Jackson did for us when he destroyed the bank conspiracy and saved America. We say in our platform that we believe that the right to coin and issue money is a function of government. We believe it. We believe that it is a part of sovereignty, and can no more with safety be delegated to private individuals than we could afford to delegate to private individuals the power to make penal statutes or levy taxes. Mr. Jefferson, who was once regarded as good Democratic authority, seems to have differed in opinion from the gentleman who has addrest us on the part of the minority. Those who are opposed to this proposition tell us that the issue of paper money is a function of the bank, and that the Government ought to go out of the banking business. I stand with Jefferson rather than with them, and tell them, as he did, that the issue of money is a function of government, and that the banks ought to go out of the governing business.

They complain about the plank which declares against life tenure in office. They have tried to strain it to mean that which it does not mean. What we oppose by that plank is the life tenure which is being built up in Washington, and which excludes from participation in official benefits the humbler members of society.

Let me call your attention to two or three important things. The gentleman from New York says that he will propose an amendment to the platform providing that the proposed change in our monetary system shall not affect contracts already made. Let me remind you that there is no intention of affecting those contracts which according to present laws are made payable in gold; but if he means to say that we cannot change our monetary system without protecting those who have loaned money before the change was made, I desire to ask him where, in law or in morals, he can find justification for not protecting the debtors when the act of 1873 was passed, if he now insists that we must protect the creditors.

He says he will also propose an amendment which will provide for the suspension of free coinage if we fail to maintain the parity within a year. We reply that when we advocate a policy which we believe will be successful, we are not compelled to raise a doubt as to our own sincerity by suggesting what we shall do if we fail. I ask him, if he would apply his logic to us, why he does not apply it to himself. He says he wants this country to try to secure an international agreement. Why does he not tell us what he is going to do if he fails to secure an international agreement? There is more reason for him to do that than there is for us to provide against the failure to maintain the parity. Our opponents have tried for twenty years to secure an international agreement, and those are waiting for it most patiently who do not want it at all.

And now, my friends, let me come to the para-

mount issue. If they ask us why it is that we say more on the money question than we say upon the tariff question, I reply that, if protection has slain its thousands, the gold standard has slain its tens of thousands. If they ask us why we do not embody in our platform all the things that we believe in, we reply that when we have restored the money of the Constitution all other necessary reforms will be possible; but that until this is done there is no other reform that can be accomplished.

Why is it that within three months such a change has come over the country? Three months ago, when it was confidently asserted that those who believe in the gold standard would frame our platform and nominate our candidates, even the advocates of the gold standard did not think that we could elect a President. And they had good reason for their doubt, because there is scarcely a State here to-day asking for the gold standard which is not in the absolute control of the Republican party. But note the change. Mr. McKinley was nominated at St. Louis upon a platform which declared for the maintenance of the gold standard until it can be changed into bimetalism by international agreement. Mr. McKinley was the most popular man among the Republicans, and three months ago everybody in the Republican party prophesied his election. How is it to-day? Why, the man who was once pleased to think that he looked like Napoleon —that man shudders to-day when he remembers that he was nominated on the anniversary of the battle of Waterloo. Not only that, but as he listens he can hear with ever-increasing distinctness the

sound of the waves as they beat upon the lonely shores of St. Helena.

Why this change? Ah, my friends, is not the reason for the change evident to any one who will look at the matter? No private character, however pure, no personal popularity, however great, can protect from the avenging wrath of an indignant people a man who will declare that he is in favor of fastening the gold standard upon this country, or who is willing to surrender the right of self-government and place the legislative control of our affairs in the hands of foreign potentates and powers.

We go forth confident that we shall win. Why? Because upon the paramount issue of this campaign there is not a spot of ground upon which the enemy will dare to challenge battle. If they tell us that the gold standard is a good thing, we shall point to their platform and tell them that their platform pledges the party to get rid of the gold standard and substitute bimetalism. If the gold standard is a good thing, why try to get rid of it? I call your attention to the fact that some of the very people who are in this convention to-day and who tell us that we ought to declare in favor of international bimetalism—thereby declaring that the gold standard is wrong and that the principle of bimetalism is better—these very people four months ago were open and avowed advocates of the gold standard, and were then telling us that we could not legislate two metals together, even with the aid of all the world. If the gold standard is a good thing, we ought to declare in favor of its

retention and not in favor of abandoning it; and if the gold standard is a bad thing why should we wait until other nations are willing to help us to let go? Here is the line of battle, and we care not upon which issue they force the fight; we are prepared to meet them on either issue or on both. If they tell us that the gold standard is the standard of civilization, we reply to them that this, the most enlightened of all the nations of the earth, has never declared for a gold standard and that both the great parties this year are declaring against it. If the gold standard is the standard of civilization, why, my friends, should we not have it? If they come to meet us on that issue we can present the history of our nation. More than that; we can tell them that they will search the pages of history in vain to find a single instance where the common people of any land have ever declared themselves in favor of the gold standard. They can find where the holders of fixt investments have declared for a gold standard, but not where the masses have.

Mr. Carlisle said in 1878 that this was a struggle between "the idle holders of idle capital" and "the struggling masses, who produce the wealth and pay the taxes of the country"; and, my friends, the question we are to decide is: Upon which side will the Democratic party fight; upon the side of "the idle holders of idle capital" or upon the side of "the struggling masses"? That is the question which the party must answer first, and then it must be answered by each individual hereafter. The sympathies of the Democratic party, as shown by the platform, are on the side of the struggling

masses who have ever been the foundation of the Democratic party. There are two ideas of government. There are those who believe that, if you will only legislate to make the well-to-do prosperous, their prosperity will leak through on those below. The Democratic idea, however, has been that if you legislate to make the masses prosperous, their prosperity will find its way up through every class which rests upon them.

You come to us and tell us that the great cities are in favor of the gold standard; we reply that the great cities rest upon our broad and fertile prairies. Burn down your cities and leave our farms, and your cities will spring up again as if by magic; but destroy our farms and the grass will grow in the streets of every city in the country.

My friends, we declare that this nation is able to legislate for its own people on every question, without waiting for the aid or consent of any other nation on earth; and upon that issue we expect to carry every State in the Union. I shall not slander the inhabitants of the fair State of Massachusetts nor the inhabitants of the State of New York by saying that, when they are confronted with the proposition, they will declare that this nation is not able to attend to its own business. It is the issue of 1776 over again. Our ancestors, when but three millions in number, had the courage to declare their political independence of every other nation; shall we, their descendants, when we have grown to seventy millions, declare that we are less independent than our forefathers? No, my friends, that will never be the verdict of our people. Therefore, we

care not upon what lines the battle is fought. If they say bimetalism is good, but that we cannot have it until other nations help us, we reply that, instead of having a gold standard because England has, we will restore bimetalism, and then let England have bimetalism because the United States has it. If they dare to come out in the open field and defend the gold standard as a good thing, we will fight them to the uttermost. Having behind us the producing masses of this nation and the world, supported by the commercial interests, the laboring interests, and the toilers everywhere, we will answer their demand for a gold standard by saying to them: You shall not press down upon the brow of labor this crown of thorns, you shall not crucify mankind upon a cross of gold.

VIII

THE SILVER QUESTION

Delivered in Madison Square Garden, New York City, on Aug. 10, 1896, in accepting the Democratic nomination for the Presidency. This speech contains, in condensed form, the arguments offered in support of the restoration of bimetalism.

I SHALL, at a future day and in a formal letter, accept the nomination which is now tendered by the Notification Committee, and I shall at that time touch upon the issues presented by the platform. It is fitting, however, that at this time, in the presence of those here assembled, I speak at some length in regard to the campaign upon which we are now entering. We do not underestimate the forces arrayed against us, nor are we unmindful of the importance of the struggle in which we are engaged; but, relying for success upon the righteousness of our cause, we shall defend with all possible vigor the positions taken by our party. We are not surprized that some of our opponents, in the absence of better argument, resort to abusive epithets, but they may rest assured that no language, however violent, no invectives, however vehement, will lead us to depart a single hair's breadth from the course marked out by the National Convention. The citizen, either public or private, who assails the character and questions the patriotism of the delegates assembled in the Chicago Convention, assails the

character and questions the patriotism of the millions who have arrayed themselves under the banner there raised.

It has been charged by men standing high in business and political circles that our platform is a menace to private security and public safety; and it has been asserted that those whom I have the honor for the time being, to represent, not only meditate an attack upon the rights of property, but are the foes both of social order and national honor.

Those who stand upon the Chicago platform are prepared to make known and to defend every motive which influences them, every purpose which animates them, and every hope which inspires them. They understand the genius of our institutions, they are staunch supporters of the form of government under which we live, and they build their faith upon foundations laid by the fathers. Andrew Jackson has stated, with admirable clearness and with an emphasis which cannot be surpassed, both the duty and the sphere of government. He said:

"Distinctions in society will always exist under every just government. Equality of talents, of education or of wealth, cannot be produced by human institutions. In the full enjoyment of the gifts of Heaven and the fruits of superior industry, economy and virtue, every man is equally entitled to protection by law."

We yield to none in our devotion to the doctrine just enunciated. Our campaign has not for its object the reconstruction of society. We cannot insure to the vicious the fruits of a virtuous life; we would not invade the home of the provident in order to supply the wants of the spendthrift; we do not propose to transfer the rewards of industry

to the lap of indolence. Property is and will remain the stimulus to endeavor and the compensation for toil. We believe, as asserted in the Declaration of Independence, that all men are created equal; but that does not mean that all men are or can be equal in possessions, in ability or in merit; it simply means that all shall stand equal before the law, and that government officials shall not, in making, construing or enforcing the law, discriminate between citizens.

I assert that property rights, as well as the rights of persons, are safe in the hands of the common people. Abraham Lincoln, in his message sent to Congress in December, 1861, said:

"No men living are more worthy to be trusted than those who toil up from poverty; none less inclined to take or touch aught which they have not honestly earned."

I repeat his language with unqualified approval, and join with him in the warning which he added, namely:

"Let them beware of surrendering a political power which they already possess, and which power, if surrendered, will surely be used to close the doors of advancement against such as they, and to fix new disabilities and burdens upon them, till all of liberty shall be lost."

Those who daily follow the injunction, "In the sweat of thy face shalt thou eat bread," are now, as they ever have been, the bulwark of law and order—the source of our nation's greatness in time of peace, and its surest defenders in time of war.

But I have only read a part of Jackson's utterance—let me give you his conclusion:

"But when the laws undertake to add to those natural and just advantages artificial distinctions—to grant titles,

gratuities and exclusive privileges—to make the rich richer and the potent more powerful—the humble members of society—the farmers, mechanics and the laborers—who have neither the time nor the means of securing like favors for themselves, have a right to complain of the injustice of their government."

Those who support the Chicago platform endorse all of the quotation from Jackson—the latter part as well as the former part.

We are not surprized to find arrayed against us those who are the beneficiaries of government favoritism—they have read our platform. Nor are we surprized to learn that we must in this campaign face the hostility of those who find a pecuniary advantage in advocating the doctrine of non-interference when great aggregations of wealth are trespassing upon the rights of individuals. We welcome such opposition—it is the highest endorsement which could be bestowed upon us. We are content to have the cooperation of those who desire to have the Government administered without fear or favor. It is not the wish of the general public that trusts should spring into existence and override the weaker members of society; it is not the wish of the general public that these trusts should destroy competition and then collect such tax as they will from those who are at their mercy; nor is it the fault of the general public that the instrumentalities of government have been so often prostituted to purposes of private gain. Those who stand upon the Chicago platform believe that the government should not only avoid wrongdoing, but that it should also prevent wrongdoing; and they believe that the law should be enforced alike

against all enemies of the public weal. They do not excuse petit larceny, but they declare that grand larceny is equally a crime; they do not defend the occupation of the highwayman who robs the unsuspecting traveler, but they include among the transgressors those who, through the more polite and less hazardous means of legislation, appropriate to their own use the proceeds of the toil of others. The commandment, "Thou shalt not steal," thundered from Sinai and reiterated in the legislation of all nations, is no respecter of persons. It must be applied to the great as well as to the small; to the strong as well as to the weak; to the corporate person created by law as well as to the person of flesh and blood created by the Almighty. No government is worthy of the name which is not able to protect from every arm uplifted for his injury the humblest citizen who lives beneath the flag. It follows as a necessary conclusion that vicious legislation must be remedied by the people who suffer from the effects of such legislation, and not by those who enjoy its benefits.

The Chicago platform has been condemned by some because it dissents from an opinion rendered by the Supreme Court declaring the income tax law unconstitutional. Our critics even go so far as to apply the name anarchist to those who stand upon that plank of the platform. It must be remembered that we expressly recognize the binding force of that decision so long as it stands as a part of the law of the land. There is in the platform no suggestion of an attempt to dispute the authority of the Supreme Court. The party is simply pledged

to use "all the constitutional power which remains after that decision, or which may come from its reversal by the Court as it may hereafter be constituted." Is there any disloyalty in that pledge? For a hundred years the Supreme Court of the United States has sustained the principle which underlies the income tax. Some twenty years ago this same Court sustained, without a dissenting voice, an income tax law almost identical with the one recently overthrown. Has not a future court as much right to return to the judicial precedents of a century as the present Court had to depart from them? When courts allow rehearings they admit that error is possible; the late decision against the income tax was rendered by a majority of one after a rehearing.

While the money question overshadows all other questions in importance, I desire it distinctly understood that I shall offer no apology for the income tax plank of the Chicago platform. The last income tax law sought to apportion the burdens of government more equitably among those who enjoy the protection of the Government. At present the expenses of the Federal Government, collected through internal revenue taxes and import duties, are especially burdensome upon the poorer classes of society. A law which collects from some citizens more than their share of the taxes and collects from other citizens less than their share is simply an indirect means of transferring one man's property to another man's pocket, and, while the process may be quite satisfactory to the men who escape just taxation, it can never be satisfactory to those who

are overburdened. The last income tax law, with its exemption provisions, when considered in connection with other methods of taxation in force, was not unjust to the possessors of large incomes, because they were not compelled to pay a total Federal tax greater than their share. The income tax is not new, nor is it based upon hostility to the rich. The system is employed in several of the most important nations of Europe, and every income tax law now upon the statute books in any land, so far as I have been able to ascertain, contains an exemption clause. While the collection of an income tax in other countries does not make it necessary for this Nation to adopt the system, yet it ought to moderate the language of those who denounce the income tax as an assault upon the well-to-do.

Not only shall I refuse to apologize for the advocacy of an income tax law by the National Convention, but I shall also refuse to apologize for the exercise by it of the right to dissent from a decision of the Supreme Court. In a government like ours every public official is a public servant, whether he holds office by election or by appointment, whether he serves for a term of years or during good behavior, and the people have a right to criticize his official acts. "Confidence is everywhere the parent of despotism; free government exists in jealousy and not in confidence"—these are the words of Thomas Jefferson, and I submit that they present a truer conception of popular government than that entertained by those who would prohibit an unfavorable comment upon a court decision. Truth will vindicate itself; only error fears

free speech. No public official who conscientiously discharges his duty as he sees it will desire to deny to those whom he serves the right to discuss his official conduct.

Now let me ask you to consider the paramount question of this campaign—the money question. It is scarcely necessary to defend the principle of bimetalism. No national party during the entire history of the United States has ever declared against it, and no party in this campaign has had the temerity to oppose it. Three parties—the Democratic, Populist and Silver parties—have not only declared for bimetalism, but have outlined the specific legislation necessary to restore silver to its ancient position by the side of gold. The Republican platform expressly declares that bimetalism is desirable when it pledges the Republican party to aid in securing it as soon as the assistance of certain foreign nations can be obtained. Those who represented the minority sentiment in the Chicago Convention opposed the free coinage of silver by the United States by independent action, on the ground that, in their judgment, it "would retard or entirely prevent the establishment of international bimetalism, to which the efforts of the Government should be steadily directed." When they asserted that the efforts of the Government should be steadily directed toward the establishment of international bimetalism, they condemned monometalism. The gold standard has been weighed in the balance and found wanting. Take from it the powerful support of the money-owning and the money-changing classes and it cannot stand for one

day in any nation in the world. It was fastened upon the United States without discussion before the people, and its friends have never yet been willing to risk a verdict before the voters upon that issue.

There can be no sympathy or cooperation between the advocates of a universal gold standard and the advocates of bimetalism. Between bimetalism—whether independent or international—and the gold standard there is an impassable gulf. Is this quadrennial agitation in favor of international bimetalism conducted in good faith, or do our opponents really desire to maintain the gold standard permanently? Are they willing to confess the superiority of a double standard when joined in by the leading nations of the world, or do they still insist that gold is the only metal suitable for standard money among civilized nations? If they are in fact desirous of securing bimetalism, we may expect them to point out the evils of a gold standard and defend bimetalism as a system. If, on the other hand, they are bending their energies toward the permanent establishment of a gold standard under cover of a declaration in favor of international bimetalism, I am justifiel in suggesting that honest money cannot be expected at the hands of those who deal dishonestly with the American people.

What is the test of honesty in money? It must certainly be found in the purchasing power of the dollar. An absolutely honest dollar would not vary in its general purchasing power; it would be absolutely stable when measured by average prices. A dollar which increases in purchasing power is just

as dishonest as a dollar which decreases in purchasing power. Prof. Laughlin, now of the University of Chicago, and one of the highest gold-standard authorities, in his work on bimetalism not only admits that gold does not remain absolutely stable in value, but expressly asserts "that there is no such thing as a standard of value for future payments, either in gold or silver, which remains absolutely invariable." He even suggests that a multiple standard, wherein the unit is "based upon the selling prices of a number of articles of general consumption," would be a more just standard than either gold or silver, or both, because "a long time contract would thereby be paid at its maturity by the same purchasing power as was given in the beginning."

It cannot be successfully claimed that monometalism or bimetalism, or any other system, gives an absolutely just standard of value. Under both monometalism and bimetalism the Government fixes the weight and fineness of the dollar, invests it with legal tender qualities, and then opens the mints to its unrestricted coinage, leaving the purchasing power of the dollar to be determined by the number of dollars. Bimetalism is better than monometalism, not because it gives us a perfect dollar—that is, a dollar absolutely unvarying in its general purchasing power—but because it makes a nearer approach to stability, to honesty, to justice, than a gold standard possibly can. Prior to 1873, when there were enough open mints to permit all the gold and silver available for coinage to find entrance into the world's volume of standard

money, the United States might have maintained a gold standard with less injury to the people of this country; but now, when each step toward a universal gold standard enhances the purchasing power of gold, depresses prices, and transfers to the pockets of the creditor class an unearned increment, the influence of this great nation must not be thrown upon the side of gold unless we are prepared to accept the natural and legitimate consequences of such an act. Any legislation which lessens the world's stock of standard money increases the exchangeable value of the dollar; therefore, the crusade against silver must inevitably raise the purchasing power of money and lower the money value of all other forms of property.

Our opponents sometimes admit that it was a mistake to demonetize silver, but insist that we should submit to present conditions rather than return to the bimetalic system. They err in supposing that we have reached the end of the evil results of a gold standard; we have not reached the end. The injury is a continuing one, and no person can say how long the world is to suffer from the attempt to make gold the only standard money. The same influences which are now operating to destroy silver in the United States will, if successful here, be turned against other silver-using countries, and each new convert to the gold standard will add to the general distress. So long as the scramble for gold continues, prices must fall, and a general fall in prices is but another definition of hard times.

Our opponents, while claiming entire disinter-

estedness for themselves, have appealed to the selfishness of nearly every class of society. Recognizing the disposition of the individual voter to consider the effect of any proposed legislation upon himself, we present to the American people the financial policy outlined in the Chicago platform, believing that it will result in the greatest good to the greatest number.

The farmers are opposed to the gold standard because they have felt its effects. Since they sell at wholesale and buy at retail they have lost more than they have gained by falling prices, and, besides this, they have found that certain fixt charges have not fallen at all. Taxes have not been perceptibly decreased, altho it requires more of farm products now than formerly to secure the money with which to pay taxes. Debts have not fallen. The farmer who owed $1,000 is still compelled to pay $1,000, altho it may be twice as difficult as formerly to obtain the dollars with which to pay the debt. Railroad rates have not been reduced to keep pace with falling prices, and besides these items there are many more. The farmer has thus found it more and more difficult to live. Has he not a just complaint against the gold standard?

The wage earners have been injured by a gold standard, and have exprest themselves upon the subject with great emphasis. In February, 1895, a petition asking for the immediate restoration of the free and unlimited coinage of gold and silver at 16 to 1 was signed by the representatives of all, or nearly all, the leading labor organizations and presented to Congress. Wage-earners know that

while a gold standard raises the purchasing power of the dollar, it also makes it more difficult to obtain possession of the dollar; they know that employment is less permanent, loss of work more probable, and reemployment less certain. A gold standard encourages the hoarding of money, because money is rising; it also discourages enterprise and paralyzes industry. On the other hand, the restoration of bimetalism will discourage hoarding because, when prices are steady or rising, money cannot afford to lie idle in the bank vaults. The farmers and wage-earners together constitute a considerable majority of the people of the country. Why should their interests be ignored in considering financial legislation? A monetary system which is pecuniarily advantageous to a few syndicates has far less to commend it than a system which would give hope and encouragement to those who create the nation's wealth.

Our opponents have made a special appeal to those who hold fire and life insurance policies, but these policy-holders know that, since the total premiums received exceed the total losses paid, a rising standard must be of more benefit to the companies than to the policy-holders.

Much solicitude has been exprest by our opponents for the depositors in savings banks. They constantly parade before these depositors the advantages of a gold standard, but these appeals will be in vain, because savings bank depositors know that under a gold standard there is increasing danger that they will lose their deposits because of the inability of the banks to collect their assets; and

they still further know that, if the gold standard is to continue indefinitely, they may be compelled to withdraw their deposits in order to pay living expenses.

It is only necessary to note the increasing number of failures in order to know that a gold standard is ruinous to merchants and manufacturers. These business men do not make their profits from the people from whom they borrow money, but from the people to whom they sell their goods. If the people cannot buy, retailers cannot sell, and, if retailers cannot sell, wholesale merchants and manufacturers must go into bankruptcy.

Those who hold, as a permanent investment, the stock of railroads and of other enterprises—I do not include those who speculate in stocks or use stock holdings as a means of obtaining an inside advantage in construction contracts—are injured by a gold standard. The rising dollar destroys the earning power of these enterprises without reducing their liabilities, and, as dividends cannot be paid until salaries and fixt charges have been satisfied, the stockholders must bear the burden of hard times.

Salaries in business occupations depend upon business conditions, and the gold standard both lessens the amount and threatens the permanency of such salaries.

Official salaries, except the salaries of those who hold office for life, must, in the long run, be adjusted to the conditions of those who pay the taxes, and if the present financial policy continues we must expect the contest between the taxpayer and the taxeater to increase in bitterness.

The professional classes—in the main—derive their support from the producing classes, and can only enjoy prosperity when there is prosperity among those who create wealth.

I have not attempted to describe the effect of the gold standard upon all classes—in fact, I have only had time to mention a few—but each person will be able to apply the principles stated to his own occupation.

It must also be remembered that it is the desire of people generally to convert their earnings into real or personal property. This being true, in considering any temporary advantage which may come from a system under which the dollar rises in its purchasing power, it must not be forgotten that the dollar cannot buy more than formerly unless property sells for less than formerly. Hence, it will be seen that a large portion of those who may find some pecuniary advantage in a gold standard will discover that their losses exceed their gains.

It is sometimes asserted by our opponents that a bank belongs to the debtor class, but this is not true of any solvent bank. Every statement published by a solvent bank shows that the assets exceed the liabilities. That is to say, while the bank owes a large amount of money to its depositors, it not only has enough on hand in money and notes to pay its depositors, but, in addition thereto, has enough to cover its capital and surplus. When the dollar is rising in value slowly, a bank may, by making short-time loans and taking good security, avoid loss; but when prices are falling rapidly, the bank is apt to lose more because of bad debts than it can

gain by the increase in the purchasing power of its capital and surplus.

Some bankers, however, combine the business of a bond broker with the ordinary banking business, and these may make enough in the negotiation of loans to offset the losses arising in legitimate banking business. As long as human nature remains as it is, there will always be danger that, unless restrained by public opinion or legal enactment, those who see a pecuniary profit for themselves in a certain condition may yield to the temptation to bring about that condition. Jefferson has stated that one of the main duties of government is to prevent men from injuring one another, and never was that duty more important than it is to-day. It is not strange that those who have made a profit by furnishing gold to the Government in the hour of its extremity favor a financial policy which will keep the Government dependent upon them. I believe, however, that I speak the sentiment of the vast majority of the people of the United States when I say that a wise financial policy administered in behalf of all the people would make our Government independent of any combination of financiers, foreign or domestic.

Let me say a word, now, in regard to certain persons who are pecuniarily benefited by a gold standard, and who favor it, not from a desire to trespass upon the rights of others, but because the circumstances which surround them blind them to the effect of the gold standard upon others. I shall ask you to consider the language of two gentlemen whose long public service and high standing in the

party to which they belong will protect them from adverse criticism by our opponents. In 1869 Senator Sherman said:

"The contraction of the currency is a far more distressing operation than Senators suppose. Our own and other nations have gone through that operation before. It is not possible to take that voyage without the sorest distress. To every person, except a capitalist out of debt, or a salaried officer, or annuitant, it is a period of loss, danger, lassitude of trade, fall of wages, suspension of enterprise, bankruptcy and disaster. It means ruin to all dealers whose debts are twice their busines capital, tho one-third less than their actual property. It means the fall of all agricultural production without any great reduction of taxes What prudent man would dare to build a house, a railroad, a factory, or a barn with this certain fact before him?"

As I have said before, the salaried officer referred to must be the man whose salary is fixt for life, and not the man whose salary depends upon business conditions. When Mr. Sherman describes contraction of the currency as disastrous to all the people except the capitalist out of debt and those who stand in a position similar to his, he is stating a truth which must be apparent to every person who will give the matter careful consideration. Mr. Sherman was at that time speaking of the contraction of the volume of paper currency, but the principle which he set forth applies, if there is a contraction of the volume of the standard money of the world.

Mr. Blaine discust the same principle in connection with the demonetization of silver. Speaking in the House of Representatives on the 7th of February, 1878, he said:

"I believe the struggle now going on in this country and other countries for a single gold standard would, if success-

ful, produce widespread disaster in and throughout the commercial world. The destruction of silver as money, and the establishing of gold as the sole unit of value must have a ruinous effect on all forms of property, except those investments which yield a fixt return in money. These would be enormously enhanced in value, and would gain a disproportionate and unfair advantage over every other species of property."

It is strange that the "holders of investments which yield a fixt return in money" can regard the destruction of silver with complacency. May we not expect the holders of other forms of property to protest against giving to money a "disproportionate and unfair advantage over every other species of property?" If the relatively few whose wealth consists largely in fixt investments have a right to use the ballot to enhance the value of their investments, have not the rest of the people the right to use the ballot to protect themselves from the disastrous consequences of a rising standard? The people who must purchase money with the products of toil stand in a position entirely different from the position of those who own money or receive a fixt income. The well-being of the nation—aye, of civilization itself—depends upon the prosperity of the masses. What shall it profit us to have a dollar which grows more valuable every day if such a dollar lowers the standard of civilization and brings distress to the people? What shall it profit us if, in trying to raise our credit by increasing the purchasing power of our dollar, we destroy our ability to pay the debts already contracted by lowering the purchasing power of the products with which those debts must be paid? If it is asserted,

as it constantly is asserted, that the gold standard will enable us to borrow more money from abroad, I reply that the restoration of bimetalism will restore the parity between money and property, and thus permit an era of prosperity which will enable the American people to become loaners of money instead of perpetual borrowers. Even if we desire to borrow, how long can we continue borrowing under a system which, by lowering the value of property, weakens the foundation upon which credit rests?

Even the holders of fixt investments, tho they gain an advantage from the appreciation of the dollar, certainly see the injustice of the legislation which gives them this advantage over those whose incomes depend upon the value of property and products. If the holders of fixt investments will not listen to arguments based upon justice and equity, I appeal to them to consider the interests of posterity. We do not live for ourselves alone; our labor, our self-denial, and our anxious care—all these are for those who are to come after us as much as for ourselves, but we cannot protect our children beyond the period of our lives. Let those who are now reaping advantage from a vicious financial system remember that in the years to come their own children and their children's children may, through the operation of this same system, be made to pay tribute to the descendants of those who are wronged to-day.

As against the maintenance of a gold standard, either permanently or until other nations can be united for its overthrow, the Chicago platform

presents a clear and emphatic demand for the immediate restoration of the free and unlimited coinage of silver and gold at the present legal ratio of 16 to 1, without waiting for the aid or consent of any other nation. We are not asking that a new experiment be tried; we are insisting upon a return to a financial policy approved by the experience of history and supported by all the prominent statesmen of our nation from the days of the first President down to 1873. When we ask that our mints be opened to the free and unlimited coinage of silver into full legal tender money, we are simply asking that the same mint privileges be accorded to silver that are now accorded to gold. When we ask that this coinage be at the ratio of 16 to 1, we simply ask that our gold coins and the standard silver dollar—which, be it remembered, contains the same amount of pure silver as the first silver dollar coined at our mints—retain their present weight and fineness.

The theoretical advantage of the bimetalic system is best stated by a European writer on political economy, who suggests the following illustration: A river fed from two sources is more uniform in volume than a river fed from one source—the reason being that when one of the feeders is swollen the other may be low; whereas, a river which has but one feeder must rise or fall with that feeder. So in the case of bimetalism; the volume of metalic money receives contributions from both the gold mines and the silver mines, and therefore varies less, and the dollar resting upon two metals is less

changeable in its purchasing power than the dollar which rests upon one metal only.

If there are two kinds of money, the option must rest either with the debtor or with the creditor. Assuming that their rights are equal, we must look at the interest of society in general in order to determine to which side the option should be given. Under the bimetalic system gold and silver are linked together by law at a fixt ratio, and any person or persons owning any quantity of either metal can have the same converted into full legal-tender money. If the creditor has the right to choose the metal in which payment shall be made, it is reasonable to suppose that he will require the debtor to pay in the dearer metal if there is any perceptible difference between the bullion values of the metals. This new demand created for the dearer metal will make that metal dearer still, while the decreased demand for the cheaper metal will make that metal cheaper still. If, on the other hand, the debtor exercises the option, it is reasonable to suppose that he will pay in the cheaper metal if one metal is perceptibly cheaper than the other; but the demand thus created for the cheaper metal will raise its price, while the lessened demand for the dearer metal will lower its price. In other words, when the creditor has the option, the metals are drawn apart; whereas, when the debtor has the option, the metals are held together approximately at the ratio fixed by law, provided the demand created is sufficient to absorb all of both metals presented at the mint. Society is, therefore, interested in having the option exercised by the debtor. In-

deed, there can be no such thing as real bimetalism unless the option is exercised by the debtor. The exercise of the option by the debtor compels the creditor classes, whether domestic or foreign, to exert themselves to maintain the parity between gold and silver at the legal ratio, whereas they might find a profit in driving one of the metals to a premium if they could then demand the dearer metal. The right of the debtor to choose the coin in which payment shall be made extends to obligations due from the government as well as to contracts between individuals. A government obligation is simply a debt due from all the people to one of the people, and it is impossible to justify a policy which makes the interests of the one person who holds the obligation superior to the rights of the many who must be taxed to pay it. When, prior to 1873, silver was at a premium, it was never contended that national honor required the payment of government obligations in silver, and the Matthews resolution, adopted by Congress in 1878, expressly asserted the right of the United States to redeem coin obligations in standard silver dollars as well as in gold coin.

Upon this subject the Chicago platform reads:

"We are opposed to the policy and practise of surrendering to the holders of the obligations of the United States the option reserved by law to the Government of redeeming such obligations in either silver coin or gold coin."

It is constantly assumed by some that the United States notes, commonly called greenbacks, and the treasury notes issued under the act of 1890, are responsible for the recent drain upon the gold re-

serve, but this assumption is entirely without foundation. Secretary Carlisle appeared before the House Committee on Appropriations on January 21, 1895, and I quote from the printed report of his testimony before the committee:

"Mr. Sibley: I would like to ask you (perhaps not entirely connected with the matter under discussion) what objection there could be to having the option of redeeming either in silver or gold lie with the Treasury instead of the note holder?

"Secretary Carlisle: If that policy had been adopted at the beginning of resumption—and I am not saying this for the purpose of criticizing the action of any of my predecessors, or anybody else—but if the policy of reserving to the Government, at the beginning of resumption, the option of redeeming in gold or silver all its paper presented, I believe it would have worked beneficially, and there would have been no trouble growing out of it, but the Secretaries of the Treasury from the beginning of resumption have pursued a policy of redeeming in gold or silver, at the option of the holder of the paper, and if any Secretary had afterward attempted to change that policy and force silver upon a man who wanted gold, or gold upon a man who wanted silver, and especially if he had made that attempt at such a critical period as we have had in the last two years, my judgment is it would have been very disastrous."

I do not agree with the Secretary that it was wise to follow a bad precedent, but from his answer it will be seen that the fault does not lie with the greenbacks and treasury notes, but rather with the executive officers who have seen fit to surrender a right which should have been exercised for the protection of the interests of the people. This executive action has already been made the excuse for the issue of more than $250,000,000 in bonds, and it is impossible to estimate the amount of bonds which may hereafter be issued if this policy is continued. We are told that any attempt upon the

part of the Government at this time to redeem its obligations in silver would put a premium upon gold, but why should it? The Bank of France exercises the right to redeem all bank paper in either gold or silver, and yet France maintains the parity between gold and silver at the ratio of 15½ to 1, and retains in circulation more silver per capita than we do in the United States.

It may be further answered that our opponents have suggested no feasible plan for avoiding the dangers which they fear. The retirement of the greenbacks and treasury notes would not protect the Treasury, because the same policy which now leads the Secretary of the Treasury to redeem all Government paper in gold, when gold is demanded, will require the redemption of all silver dollars and silver certificates in gold, if the greenbacks and treasury notes are withdrawn from circulation. More than this, if the Government should retire its paper and throw upon the banks the necessity of furnishing coin redemption, the banks would exercise the right to furnish either gold or silver. In other words, they would exercise the option, just as the Government ought to exercise it now. The Government must either exercise the right to redeem its obligations in silver when silver is more convenient, or it must retire all the silver and silver certificates from circulation and leave nothing but gold as legal tender money. Are our opponents willing to outline a financial system which will carry out their policy to its legitimate conclusion, or will they continue to cloak their designs in ambiguous phrases?

There is an actual necessity for bimetalism as well as a theoretical defense of it. During the last twenty-three years legislation has been creating an additional demand for gold, and this law-created demand has resulted in increasing the purchasing power of each ounce of gold. The restoration of bimetalism in the United States will take away from gold just so much of its purchasing power as was added to it by the demonetization of silver by the United States. The silver dollar is now held up to the gold dollar by legal-tender laws and not by redemption in gold, because the standard silver dollars are not now redeemable in gold either in law or by administrative policy.

We contend that free and unlimited coinage by the United States alone will raise the bullion value of silver to its coinage value, and thus make silver bullion worth $1.29 per ounce in gold throughout the world. This proposition is in keeping with natural laws, not in defiance of them. The best known law of commerce is the law of supply and demand. We recognize this law and build our argument upon it. We apply this law to money when we say that a reduction in the volume of money will raise the purchasing power of the dollar; we also apply the law of supply and demand to silver when we say that a new demand for silver created by law will raise the price of silver bullion. Gold and silver are different from other commodities, in that they are limited in quantity. Corn, wheat, manufactured products, etc., can be produced almost without limit, provided they can be sold at a price sufficient to stimulate production, but gold

and silver are called precious metals because they are found, not produced. These metals have been the objects of anxious search as far back as history runs, yet, according to Mr. Harvey's calculation, all the gold coin of the world can be melted into a 22-foot cube and all the silver coin in the world into a 66-foot cube. Because gold and silver are limited, both in the quantity now in hand and in annual production, it follows that legislation can fix the ratio between them. Any purchaser who stands ready to take the entire supply of any given article at a certain price can prevent that article from falling below that price. So the Government can fix a price for gold and silver by creating a demand greater than the supply. International bimetalists believe that several nations, by entering into an agreement to coin at a fixt ratio all the gold and silver presented, can maintain the bullion value of the metals at the mint ratio. When a mint price is thus established, it regulates the bullion price, because any person desiring coin may have the bullion converted into coin at that price, and any person desiring bullion can secure it by melting the coin. The only question upon which international bimetalists and independent bimetalists differ is: Can the United States, by the free and unlimited coinage of silver at the present legal ratio, create a demand for silver which, taken in connection with the demand already in existence, will be sufficient to utilize all the silver that will be presented at the mints? They agree in their defense of the bimetalic principle, and they agree in unalterable opposition to the gold standard. International bimetalists

cannot complain that free coinage gives a benefit to the mine owner, because international bimetalism gives to the owner of silver all the advantages offered by independent bimetalism at the same ratio. International bimetalists cannot accuse the advocates of free silver of being "bullion owners who desire to raise the value of their bullion"; or "debtors who desire to pay their debts in cheap dollars"; or "demagogues who desire to curry favor with the people." They must rest their opposition upon one ground only, namely: that the supply of silver available for coinage is too large to be utilized by the United States.

In discussing this question we must consider the capacity of our people to use silver, and the quantity of silver which can come to our mints. It must be remembered that we live in a country only partially developed, and that our people far surpass any equal number of people in the world in their power to consume and produce. Our extensive railroad development and enormous internal commerce must also be taken into consideration. Now, how much silver can come here? Not the coined silver of the world, because almost all of it is more valuable at this time in other lands than it will be at our mints under free coinage. If our mints are opened to free and unlimited coinage at the present ratio, merchandise silver cannot come here, because the labor applied to it has made it worth more in the form of merchandise than it will be worth at our mints. We cannot even expect all of the annual product of silver, because India, China, Japan, Mexico, and all the other silver-using countries must

satisfy their annual needs from the annual product; the arts will require a large amount, and the gold standard countries will need a considerable quantity for subsidiary coinage. We will be required to coin only that which is not needed elsewhere; but, if we stand ready to take and utilize all of it, other nations will be compelled to buy at the price which we fix. Many fear that the opening of our mints will be followed by an enormous increase in the annual production of silver. This is conjecture. Silver has been used as money for thousands of years, and during all that time the world has never suffered from an over-production. If, for any reason, the supply of gold or silver in the future ever exceeds the requirements of the arts and the needs of commerce, we confidently hope that the intelligence of the people will be sufficient to devise and enact any legislation necessary for the protection of the public. It is folly to refuse to the people the money which they now need for fear they may hereafter have more than they need. I am firmly convinced that by opening our mints to the free and unlimited coinage at the present ratio we can create a demand for silver which will keep the price of silver bullion at $1.29 per ounce, measured by gold.

Some of our opponents attribute the fall in the value of silver, when measured by gold, to the fact that during the last quarter of a century the world's supply of silver has increased more rapidly than the world's supply of gold. This argument is entirely answered by the fact that, during the last five years, the annual production of gold has in-

creased more rapidly than the annual production of silver. Since the gold price of silver has fallen more during these five years than it ever fell in any previous five years in the history of the world, it is evident that the fall is not due to increased production. Prices can be lowered as effectually by decreasing the demand for an article as by increasing the supply of it, and it seems certain that the fall in the gold price of silver is due to hostile legislation and not to natural laws.

In answer to the charge that gold will go abroad under free coinage, it must be remembered that no gold can leave this country until the owner of the gold receives something in return for it which he would rather have. In other words, when gold leaves the country those who formerly owned it will be benefited. There is no process by which we can be compelled to part with our gold against our will, nor is there any process by which silver can be forced upon us without our consent. Exchanges are matters of agreement, and if silver comes to this country under free coinage it will be at the invitation of some one in this country who will give something in exchange for it.

Our opponents cannot ignore the fact that gold is now going abroad in spite of all legislation intended to prevent it, and no silver is being coined to take its place. Not only is gold going abroad now, but it must continue to go abroad as long as the present financial policy is adhered to, unless we continue to borrow from across the ocean, and even then we simply postpone the evil, because the amount borrowed, together with interest upon it,

must be repaid in appreciating dollars. The American people now owe a large sum to European creditors, and falling prices have left a larger and larger margin between our net national income and our annual interest charge. There is only one way to stop the increasing flow of gold from our shores, and that is to stop falling prices. The restoration of bimetalism will not only stop falling prices, but will—to some extent—restore prices by reducing the world's demand for gold. If it is argued that a rise in prices lessens the value of the dollars which we pay to our creditors, I reply that, in the balancing of equities, the American people have as much right to favor a financial system which will maintain or restore prices as foreign creditors have to insist upon a financial system that will reduce prices. But the interests of society are far superior to the interests of either debtors or creditors, and the interests of society demand a financial system which will add to the volume of the standard money of the world, and thus restore stability to prices.

Perhaps the most persistent misrepresentation that we have to meet is the charge that we are advocating the payment of debts in fifty-cent dollars. At the present time and under present laws a silver dollar, when melted, loses nearly half its value, but that will not be true when we again establish a mint price for silver and leave no surplus silver upon the market to drag down the price of bullion. Under bimetalism silver bullion will be worth as much as silver coin, just as gold bullion is now worth as much as gold coin, and we believe

that a silver dollar will be worth as much as a gold dollar.

The charge of repudiation comes with poor grace from those who are seeking to add to the weight of existing debts by legislation which makes money dearer, and who conceal their designs against the general welfare under the euphonious pretense that they are upholding public credit and national honor.

Those who deny the ability of the United States to maintain the parity between gold and silver at the present legal ratio without foreign aid point to Mexico and assert that the opening of our mints will reduce us to a silver basis and raise gold to a premium. It is no reflection upon our sister republic to remind our people that the United States is much greater than Mexico in area, in population, and in commercial strength. It is absurd to assert that the United States is not able to do anything which Mexico has failed to accomplish. The one thing necessary in order to maintain the parity is to furnish a demand great enough to utilize all the silver which will come to the mints. That Mexico has failed to do this is not proof that the United States would also fail.

It is also argued that, since a number of the nations have demonetized silver, nothing can be done until all of those nations restore bimetalism. This is also illogical. It is immaterial how many or how few nations have opened mints, provided there are sufficient open mints to furnish a monetary demand for all the gold and silver available for coinage.

In reply to the argument that improved ma-

chinery has lessened the cost of producing silver, it is sufficient to say that the same is true of the production of gold, and yet, notwithstanding that, gold has risen in value. As a matter of fact, the cost of production does not determine the value of the precious metals, except as it may affect the supply. If, for instance, the cost of producing gold should be reduced ninety per cent. without any increase in the output, the purchasing power of an ounce of gold would not fall. So long as there is a monetary demand sufficient to take at a fixt mint price all the gold and silver produced, the cost of production need not be considered.

It is often objected that the prices of gold and silver cannot be fixt in relation to each other, because of the variation in the relative production of the metals. This argument also overlooks the fact that, if the demand for both metals at a fixt price is greater than the supply of both, relative production becomes immaterial. In the early part of the present century the annual production of silver was worth, at the coinage ratio, about three times as much as the annual production of gold; whereas, soon after 1849, the annual production of gold became worth about three times as much, at the coinage ratio, as the annual production of silver; and yet, owing to the maintenance of the bimetalic standard, these enormous changes in relative production had but a slight effect upon the relative values of the metals.

If it is asserted by our opponents that the free coinage of silver is intended only for the benefit of the mine owners, it must be remembered that free

coinage cannot restore to the mine owners any more than demonetization took away; and it must also be remembered that the loss which the demonetization of silver has brought to the mine owners is insignificant compared to the loss which this policy has brought to the rest of the people. The restoration of silver will bring to the people generally many times as much advantage as the mine owners can obtain from it. While it is not the purpose of free coinage to specially aid any particular class, yet those who believe that the restoration of silver is needed by the whole people should not be deterred because an incidental benefit will come to the mine owner. The erection of forts, the deepening of harbors, the improvement of rivers, the erection of public buildings—all these confer incidental benefits upon individuals and communities, and yet these incidental benefits do not deter us from making appropriations for these purposes whenever such appropriations are necessary for the public good.

The argument that a silver dollar is heavier than a gold dollar, and that, therefore, silver is less convenient to carry in large quantities, is completely answered by the silver certificate, which is as easily carried as the gold certificate or any other kind of paper money.

There are some who, while admitting the benefits of bimetalism, object to coinage at the present ratio. If any are deceived by this objection they ought to remember that there are no bimetalists who are earnestly endeavoring to secure it at any other ratio than 16 to 1. We are opposed to any change in the ratio for two reasons: first, because a change would

produce great injustice; and, second, because a change in the ratio is not necessary. A change would produce injustice because, if effected in the manner usually suggested, it would result in an enormous contraction in the volume of standard money.

If, for instance, it was decided by international agreement to raise the ratios throughout the world to 32 to 1, the change might be effected in any one of three ways: the silver dollar could be double in size, so that the new silver dollar would weigh thirty-two times as much as the present gold dollar; or the present gold dollar could be reduced one-half in weight, so that the present silver dollar would weigh thirty-two times as much as the new gold dollar; or the change could be made by increasing the size of the silver dollar and decreasing the size of the gold dollar until the new silver dollar would weigh thirty-two times as much as the new gold dollar. Those who have advised a change in the ratio have usually suggested that the silver dollar be doubled. If this change were made it would necessitate the recoinage of four billions of silver into two billions of dollars. There would be an immediate loss of two billions of dollars either to individuals or to the Government, but this would be the least of the injury. A shrinkage of one-half in the silver money of the world would mean a shrinkage of one-fourth in the total volume of metalic money. This contraction, by increasing the value of the dollar, would virtually increase the debts of the world billions of dollars, and decrease still more the value of the property of the world as measured by dollars. Besides this immediate result, such a

change in the ratio would permanently decrease the annual addition to the world's supply of money, because the annual silver product, when coined into dollars twice as large, would make only half as many dollars.

The people of the United States would be injured by a change in the ratio, not because they produce silver, but because they own property and owe debts, and they cannot afford to thus decrease the value of their property or increase the burden of their debts.

In 1878 Mr. Carlisle said:

"Mankind will be fortunate indeed if the annual production of gold and silver coin shall keep pace with the annual increase of population and industry."

I repeat this assertion. All of the gold and silver annually available for coinage, when converted into coin at the present ratio, will not, in my judgment, more than supply our monetary needs.

In supporting the act of 1890, known as the Sherman act, Senator Sherman, on June 5 of that year, said:

"Under the law of February, 1878, the purchase of $2,000,000 worth of silver bullion a month has by coinage produced annually an average of nearly $3,000,000 per month for a period of twelve years, but this amount, in view of the retirement of the bank notes, will not increase our currency in proportion to our increasing population. If our present currency is estimated at $1,400,000,000, and our population is increasing at the ratio of 3 per cent. per annum, it would require $42,000,000 increased circulation each year to keep pace with the increase of population; but, as the increase of population is accompanied by a still greater ratio of increase of wealth and business, it was thought that an immediate increase of circulation might be obtained by larger purchases of silver bullion to an amount sufficient to

make good the retirement of bank notes and keep pace with the growth of population. Assuming that $54,000,000 a year of additional currency is needed upon this basis, that amount is provided for in this bill by the issue of Treasury notes in exchange for bullion at the market price."

If the United States then needed more than forty-two millions annually to keep pace with population and business, it now, with a larger population, needs a still greater annual addition; and the United States is only one nation among many. Our opponents make no adequate provision for the increasing monetary needs of the world.

In the second place, a change in the ratio is not necessary. Hostile legislation has decreased the demand for silver and lowered its price when measured by gold, while this same hostile legislation, by increasing the demand for gold, has raised the value of gold when measured by other forms of property.

We are told that the restoration of bimetalism would be a hardship upon those who have entered into contracts payable in gold coin, but this is a mistake. It will be easier to obtain the gold with which to meet a gold contract, when most of the people can use silver, than it is now when every one is trying to secure gold.

The Chicago platform expressly declares in favor of such legislation as may be necessary to prevent, for the future, the demonetization of any kind of legal tender money by private contract. Such contracts are objected to on the ground that they are against public policy. No one questions the right of legislatures to fix the rate of interest which can be collected by law; there is far more reason for preventing private individuals from setting aside

legal tender law. The money which is by law made a legal tender, must, in the course of ordinary business, be accepted by ninety-nine out of every hundred persons. Why should the one-hundredth man be permitted to exempt himself from the general rule? Special contracts have a tendency to increase the demand for a particular kind of money, and thus force it to a premium. Have not the people a right to say that a comparatively few individuals shall not be permitted to derange the financial system of the nation in order to collect a premium in case they succeed in forcing one kind of money to a premium?

There is another argument to which I ask your attention. Some of the more zealous opponents of free coinage point to the fact that thirteen months must elapse between the election and the first regular session of the next Congress, and assert that during that time, in case people declare themselves in favor of free coinage, all loans will be withdrawn and all mortgages foreclosed. If these are merely prophecies indulged in by those who have forgotten the provision of the Constitution, it will be sufficient to remind them that the President is empowered to convene Congress in extraordinary session whenever the public good requires such action. If, in November, the people by their ballots declare themselves in favor of the immediate restoration of bimetalism, the system can be inaugurated within a few months.

If, however, the assertion that loans will be withdrawn and mortgages foreclosed is made to prevent such political action as the people may believe to

be necessary for the preservation of their rights, then a new and vital issue is raised. Whenever it is necessary for the people as a whole to obtain consent from the owners of money and the changers of money before they can legislate upon financial questions, we shall have passed from a democracy to a plutocracy. But that time has not yet arrived. Threats and intimidation will be of no avail. The people who, in 1776, rejected the doctrine that kings rule by right divine, will not, in this generation subscribe to the doctrine that money is omnipotent.

In conclusion, permit me to say a word in regard to international bimetalism. We are not opposed to an international agreement looking to the restoration of bimetalism throughout the world. The advocates of free coinage have on all occasions shown their willingness to cooperate with other nations in the reinstatement of silver, but they are not willing to await the pleasure of other governments when immediate relief is needed by the people of the United States, and they further believe that independent action offers better assurance of international bimetalism than servile dependence upon foreign aid. For more than twenty years we have invited the assistance of European nations, but all progress in the direction of international bimetalism has been blocked by the opposition of those who derive a pecuniary benefit from the appreciation of gold. How long must we wait for bimetalism to be brought to us by those who profit by monometalism? If the double standard will bring benefits to our people, who will deny them the right to en-

joy those benefits? If our opponents would admit the right, the ability and the duty of our people to act for themselves on all public questions without the assistance and regardless of the wishes of other nations, and then propose the remedial legislation which they consider sufficient, we could meet them in the field of honorable debate; but, when they assert that this nation is helpless to protect the rights of its own citizens, we challenge them to submit the issue to a people whose patriotism has never been appealed to in vain.

We shall not offend other nations when we declare the right of the American people to govern themselves, and, without let or hindrance from without, decide upon every question presented for their consideration. In taking this position, we simply maintain the dignity of seventy million citizens who are second to none in their capacity for self-government.

The gold standard has compelled the American people to pay an ever-increasing tribute to the creditor nations of the world—a tribute which no one dares to defend. I assert that national honor requires the United States to secure justice for all its citizens as well as do justice to all its creditors. For a people like ours, blest with natural resources of surpassing richness, to proclaim themselves impotent to frame a financial system suited to their own needs is humiliating beyond the power of language to describe. We cannot enforce respect for our foreign policy so long as we confess ourselves unable to frame our own financial policy.

Honest differences of opinion have always existed,

and ever will exist, as to the legislation best calculated to promote the public weal; but when it is seriously asserted that this nation must bow to the dictation of other nations and accept the policies which they insist upon, the right of self-government is assailed, and until that question is settled all other questions are insignificant.

Citizens of New York, I have traveled from the center of the continent to the seaboard that I might, in the very beginning of the campaign, bring you greeting from the people of the West and South and assure you that their desire is not to destroy but to build up. They invite you to accept the principles of a living faith rather than listen to those who preach the gospel of despair and advise endurance of the ills you have. The advocates of free coinage believe that, in striving to secure the immediate restoration of bimetalism, they are laboring in your behalf as well as in their own behalf. A few of your people may prosper under present conditions, but the permanent welfare of New York rests upon the producers of wealth. This great city is built upon the commerce of the nation and must suffer if that commerce is impaired. You cannot sell unless the people have money with which to buy, and they cannot obtain the money with which to buy unless they are able to sell their products at remunerative prices. Production of wealth goes before the exchange of wealth; those who create must secure a profit before they have anything to share with others. You cannot afford to join the money changers in supporting a financial policy which, by destroying the purchasing power of the

products of toil, must in the end discourage the creation of wealth.

I ask, I expect, your cooperation. It is true that a few of your financiers would fashion a new figure —a figure representing Columbia, her hands bound fast with fetters of gold and her face turned toward the East, appealing for assistance to those who live beyond the sea—but this figure can never express your idea of this nation. You will rather turn for inspiration to the heroic statue which guards the entrance to your city—a statue as patriotic in conception as it is colossal in proportions. It was the gracious gift of a sister republic and stands upon a pedestal which was built by the American people. That figure—Liberty enlightening the world—is emblematic of the mission of our nation among the nations of the earth. With a government which derives its powers from the consent of the governed, secures to all the people freedom of conscience, freedom of thought and freedom of speech, guarantees equal rights to all, and promises special privileges to none, the United States should be an example in all that is good, and the leading spirit in every movement which has for its object the uplifting of the human race.

IX

THE TARIFF

Delivered at Des Moines, Ia., on the 21st of August, 1908, and setting forth the party's position in the campaign of that year.

IN my notification speech I stated that, as the campaign progressed, I would discuss the question, "Shall the People Rule," as it applies to the various issues involved in this campaign. I begin with the tariff question, because it is the most lasting of our economic questions and the one upon which the leading parties have most frequently opposed each other. Other questions may come and go, but questions which affect taxation, like Tennyson's "Brook," "go on and on forever." As the Government is not a Lady Bountiful, with unlimited means, but merely an organization which must collect on the one hand what it pays out on the other, the subject of taxation is an ever-present one. We may discuss how much we should collect, what methods we should employ in collecting, and how best to distribute, through appropriations, the money collected, but we are never far removed from the subject of taxation. Iowa has been selected for the presentation of what I desire to say upon this subject. because the Iowa Republicans were pioneers in the effort to secure tariff revision at the hands of the Republican party. I

come among them to define and defend the Democratic position on the tariff question, because I believe it will commend itself to them. That the issue may be clearly stated, I shall read you the Democratic plank on this subject, and then the Republican plank.

The Democratic platform says:

"We welcome the belated promise of tariff reform now offered by the Republican party as a tardy recognition of the righteousness of the Democratic position on this question; but the people cannot safely entrust the execution of this important work to a party which is so deeply obligated to the highly protected interests as is the Republican party. We call attention to the significant fact that the promised relief was postponed until after the coming election—an election to succeed in which the Republican party must have the same support from the beneficiaries of the high protective tariff as it has always heretofore received from them; and to the further fact that during years of uninterrupted power, no action whatever has been taken by the Republican congress to correct the admittedly existing tariff iniquities.

"We favor immediate revision of the tariff by the reduction of import duties. Articles entering into competition with trust-controlled products should be placed upon the free list; material reductions should be made in the tariff upon the necessities of life, especially upon articles competing with such American manufactures as are sold abroad more cheaply than at home; and gradual reductions should be made in such other schedules as may be necessary to restore the tariff to a revenue basis.

"Existing duties have given the manufacturers of paper a shelter behind which they have organized combinations to raise the price of pulp and paper, thus imposing a tax upon the spread of knowledge.

"We demand the immediate repeal of the tariff on wood pulp, print paper, lumber, timber and logs, and that these articles be placed upon the free list."

The Republican platform says:

"The Republican party declares unequivocally for a revision of the tariff by a special session of congress immediately following the inauguration of the next president and commends the steps already taken to this end in the work assigned to the appropriate committees of congress, which are now investigating the operation and effect of existing schedules. In all tariff legislation the true principle of protection is best maintained by the imposition of such duties as will equal the difference between the cost of production at home and abroad, together with a reasonable profit to American industries.

"We favor the establishment of maximum and minimum rates to be administered by the president under limitations fixt in the law, the maximum to be available to meet discriminations by foreign countries against American goods entering their markets and the minimum to represent the normal measure of protection at home; the aim and purpose of the Republican policy being not only to preserve, without excessive duties, that security against foreign competition to which American manufacturers, farmers and producers are entitled, but also to maintain the high standard of living of the wage-earners of this country, who are the most direct beneficiaries of the protective system.

"Between the United States and the Philippines, we believe in a free interchange of products, with such limitations as to sugar and tobacco as will afford adequate protection to domestic interests."

Secretary Taft refers to this subject briefly in his notification speech—only briefly—but as I shall quote such passages from his speech as are pertinent to this discussion, it is not necessary to read his remarks in full.

It will be noticed that the Republican party has abandoned the earlier arguments advanced in support of a high tariff. We hear no more of the "Infant Industries," that must be tenderly cared for "until they can stand upon their feet"; there is no suggestion that the "foreigner pay the tariff," and nothing about the "home market." These catch phrases have had their day—they are worn out and

cast aside. The Republican leaders are no longer arrogant and insolent; they cannot longer defy tariff reform. Their plan now is to seem to yield without really yielding.

I submit that the Democratic platform accurately described the Republican position when it refers to "the belated promise" made by the Republican leaders as "a tardy recognition of the righteousness of the Democratic position on this question." The Democratic party in its platforms and through its representatives in Congress has for years pointed out that the tariff schedules are excessively high and ought to be reduced, but the Republicans have, until recently, refused to admit that there was any necessity for reduction. They now confess, through their platform and through their presidential candidate, that the need for revision is so great as to justify the party in declaring "unequivocally for a revision of the tariff" and the need is so urgent that the work is to be undertaken at "a special session of Congress immediately following the inauguration of the next president." The use of the word "unequivocally" indicates that those who wrote the platform recognize that they are under suspicion. They want to distinguish this promise from the unkept promises of the past by adding as emphatic an adjective as could be found in the dictionary. If former Republican promises had been conscientiously fulfilled, it might not have been necessary to thus strengthen the promise made this year. The use of the words "immediately after the inauguration" is evidence that the Republican leaders are conscious that the patience of the public has been

strained to the point of breaking, and it is almost pathetic to note the solicitude which they now feel about doing a thing which, but for wilful neglect, might have been done at any time during the last ten years.

Are we not justified in saying that "the people cannot safely entrust the execution of this important work to a party which is so deeply obligated to the highly protected interests as is the Republican party"? The "fat-frying" process has become familiar to the American people. Pressure has been brought to bear upon the protected interests every four years—and to a less extent in the congressional campaigns between presidential elections—to compel contributions to the campaign fund in return for former favors and in anticipation of favors yet to come. It is difficult to overestimate the corrupting influences introduced into the political life of the nation by this partnership between the Government and the favored industries. The literature circulated in support of a protective tariff has studiously cultivated the idea that suffrage should be employed to secure pecuniary returns, and the appeal made by the Republican leaders has come to be more and more a selfish one. Every man engaged in a protected industry has been approached with the proposition that it is dollars in his pocket to maintain the system, while those who could not possibly trace any tangible benefits to themselves have been beguiled with the assurance that it was all a matter of public spirit and that they ought to support the system out of patriotic love of country. If attention was called

to the fact that the farmer was taxed for the benefit of the manufacturer, the triple answer was that it would come back to him indirectly; that it did not amount to much for each farmer anyhow; and that a man was small minded who could begrudge so insignificant a contribution to the nation's prosperity. The plan has been to keep the taxpayers quiet by keeping them in the dark as to the operation of the law, and then to concentrate the votes and influence of the tax-eaters in favor of a continuation of high tariff legislation. If a tariff of fifty per cent. was imposed upon a given article of merchandise, it was assumed that those engaged in the production of the article would contribute liberally to keep up the tariff. It was also assumed that the employees would vote with their employers to keep from having their wages reduced, and it was expected that the business men of the town would also vote for the tariff because of the business brought to the community by the protected industry. Those who are acquainted with the tariff fight know to what an extent the pecuniary argument has been used. The recent Republican platform is a bugle call to every beneficiary of special privilege, to enlist again under the Republican banner, and when the election is over and the Republican committee publishes the list of contributors—too late to make the information valuable—it will be found that the Republican party has again so obligated itself to the protected interests as to be unable to make a revision in the interests of the consumers.

With a President who, toward the close of his term, admitted the necessity for tariff revision, with

a two-thirds majority in the Senate and nearly sixty majority in the House, the Republican party has refused to permit any revision whatever. Mr. Williams, the leader of the minority in the House, introduced a bill providing for a reduction of the tariff to 100 per cent., wherever it is now more than 100 per cent. It would look as if the Republican party might have taken this step toward tariff revision, had it been deeply in earnest; but no, the bill was not even reported from the committee. Whenever attention was called to an indefensible schedule, the answer was that they could not afford to open the subject for debate just before a campaign, but there is no force in this objection because the House rules are so framed that the majority can cut off debate, prevent amendment and silence opposition.

The administration has claimed credit for the fine against the Standard Oil Company in the case which was lately reversed, but no effort has been made to relieve the people from the fine which is imposed upon them every day by the Standard Oil Company through the operation of the tariff law which gives that company more than 100 per cent. protection against its chief rival, Russia. What faith can a real tariff reformer, whether he be a Republican or a Democrat, repose in the Republican leaders, when they deliberately put off all reduction until after election, and then call for contributions, with the understanding that the public shall not know the names of the contributors until after the polls are closed?

The Republican platform says that the tariff is intended for the American manufacturers, farmers

and producers, and especially for the wage-earners. If the farmer and the wage-earner are really the chief beneficiaries of the protective system, will the Republican candidate explain why the farmer and the wage-earner have contributed so little to the Republican campaign fund? Is he willing to publish a list of contributors on the 15th day of next October and allow the relative advantage of protection to the manufacturer, the farmer and the wage-earner to be measured by the contributions received from each class? Why is it that the manufacturers are expected to furnish so large a proportion of the money to run the campaign, if, as the Republicans claim, the farmers and the laborers enjoy so large a proportion in the benefits of the system? Is it not a significant fact that the farmers and wage-earners who are always put in the foreground when the blessings of a high tariff are being enumerated are in the background when the collections are being made? Is it not significant that the manufacturers, who furnish the funds, are so little advertised as beneficiaries? Is it not significant also that the wage-earners, instead of the manufacturers, are always described as "the most direct beneficiaries of the protective system?"

But let us suppose, for the sake of argument, that the Republican party sincerely repents of its delay in beginning tariff reform, repudiates its obligations to the contributing manufacturers and honestly begins a "revision." What rule is to govern the revision? The Republican platform says:

"In all tariff legislation, the true principle of protection is best maintained by the imposition of such duties as will

equal the difference between the cost of production at home and abroad, together with a reasonable profit to American industries."

Mr. Taft endorses this rule and says that "in a number of schedules the tariff now exceeds this difference, and that the excess offers a temptation to those who would monopolize the production and sale of such articles in this country." He adds, however, that "there are some few articles on which the tariff is not sufficiently high to give them the measure of protection they should receive."

Will he explain upon what rule the present tariff was framed? When have the Republicans claimed more protection than enough to cover the difference in the cost of production here and abroad? The "reasonable profit to American Industries" is an addition to the rule, and is likely to be used as an excuse for raising the tariff. And, by the way, to what other business does the Government guarantee a "reasonable profit"? To the farmer, or the merchant, or the laborer? To none of these. If in revising the tariff the Republican party is to work upon exactly the same plan (or a plan contemplating a higher rate) what hope have we that the new tariff will be lower than the present one? Are the present leaders more honest than the ones who framed the existing tariff? Are they not, in fact, the same men who are responsible for tariff extortion during the last decade? If this new-born zeal for revision were a hundred times greater than his notification speech indicates, what chance would the Republican candidate have of securing any real tariff reform at the hands of such Republicans as

now represent that party in the Senate and House, the very men who represented it in the recent national convention? Speaker Cannon, who has supprest tariff legislation in the present Congress, was a dominating factor in the convention and, if the Republicans retain control of the House, will be the Speaker of the next Congress. Does his prominence afford tariff reformers any assurance of a reduction of the tariff in the interest of the consumers? In case of a Republican victory, Congressman Sherman will become the presiding officer of the Senate. He has been the confidential companion of Speaker Cannon, and in the convention it was Speaker Cannon who vouched for him. But as a matter of fact, Mr. Sherman's stand-patism needed no endorsement; his record is a guaranty that no beneficiary of special privileges will be disturbed. It was Congressman Sherman who, in a speech in the House on the 18th of last April, boastfully declared,

"We recognize the fact that we have a Republican majority in the Senate, that we have a Republican majority in this House, that is ready to resort to every legal, every proper constitutional right to enact such legislation as it deems for the best interest for the greatest number of our people, and which is *willing and ready to accept full responsibility for all those measures which are introduced here and which are not enacted into law.*"

The Republican platform suggests that there should be a maximum tariff and a minimum, the maximum to be used in retaliation and the minimum in ordinary cases. This is merely adding delusion to procrastination and uncertainty. We have prominent Republican authority, Senator Dolliver and Senator Hanna, to prove that in the present

law the rates were knowingly made higher than necessary with the understanding that reductions would be made to secure foreign trade. Mr. Dolliver said in the Senate on January 13, 1903: "It is true that in the bill which he (Mr. Dingley) reported from the committee on ways and means he did put duties up for the express purpose of having them traded down." Mr. Dolliver insisted that the reciprocity provision in the Dingley act was as distinctly a part of the tariff policy as the coal schedule and complained that "not one line of the wisdom of James G. Blaine remained on the statute books," and that "not a step had been taken to fulfil the purpose of the last Buffalo address of President McKinley." And yet the very men who present this new plan prevented the carrying out of the old plan.

The schemes resorted to by the men who have grown rich by laying tariff burdens upon the country are more numerous than novel. Tariff measures which embody the principles of protection are not drawn by legislators, altho as a matter of courtesy they generally bear the names of legislators; they are really drawn by the representatives of the interests which demand protection. These representatives claim to be the guardians of the laboring men, and yet they carefully avoid writing into the law anything that will require the guardians to execute the trust. It is strange that so many voters have been so long deceived as to the object and the operation of the laws which are ostensibly designed for the protection of the wage-earners; it can only be accounted for on the theory that the

voters have not understood either the theory of protection or the facts that are relied upon to support it.

In ordinary affairs there is no difference between a tariff reformer and a protectionist. They meet together in business, in society, in the lodge room and in the church. In their daily life they apply the same rules and are guided by the same business rules. This similarity manifests itself all through life and up to the very hour of death. If a protectionist makes a will, he makes it upon the same plan that the tariff reformer follows. As death approaches, he estimates the value of his property, leaves to his wife and children what he wishes them to have, and then makes such bequests as he likes to public institutions and to those outside of the family; and such part as he leaves to his wife and children, he carefully divides among them, giving to each a definite share. He does not give all his property to one child and say that he trusts the child to deal fairly with the rest of the family. Why? Because he knows his children and would not put a child in a position where selfishness might lead him to do injustice to other members of the family. No, he would not trust his own flesh and blood to deal fairly with those reared at the same fireside with him; and he is wise in not placing this temptation before one of his own family. But when a protectionist comes to make a tariff law, he acts on an entirely different plan; he votes millions, yes, hundreds of millions of dollars, to manufacturers whom he has never seen, and trusts them to be just in the distribution of

the trust fund among their employees. And what has been the result? Just what might have been expected—the manufacturers have appropriated the trust fund to their own use and have paid their employees only such wages as trade conditions compelled.

The Homestead strike occurred after the Republican convention of 1892, but before the Republican candidate wrote his letter of acceptance. He could not ignore the strike, for it presented an object lesson which even a high-tariff Republican could not fail to see. So Mr. Harrison, the candidate, referring to the strike, said:

"I regret that all employers of labor are not just and considerate and that capital sometimes takes too large a share of the profits!"

"Too large a share of the profits?" Yes; more than that. The protected manufacturers have secured, in many cases, a tariff of more than twice the percentage paid to workmen in wages. The net profits of the steel trust last year were just about equal to the entire amount paid in wages, and the wages constituted less than twenty-five per cent. of the total value of the product. According to this statement, each workingman employed by the steel trust earned, on an average, not only the amount paid to him, but one hundred per cent. profit besides for his employer. And, I may add, while these beneficiaries of protection have been pretending to make the tariff laws for the direct benefit of the employees, these same employees have, as a rule, been kept close to the hunger line, while many of the employers have become the possessors of the

"swollen fortunes" which now menace the nation's morals as well as its business.

And yet the Republican party was not willing that a single item on the steel schedule should be touched, and the Republican campaign committee will not dare to publish, before the election, the contributions that have been made or will be made to the Republican campaign fund by the men most largely interested in the steel trust.

Let me show you how the tariff operates. I have here a statement made by Mr. H. E. Miles, Chairman of the Tariff Committee of the National Association of Manufacturers and head of the Agricultural Implement Association. The statement appears in the *American Industries* of November 15th, 1907, a paper which is now supporting the Republican ticket and making a special fight against the labor plank of the Democratic platform. Here is what Mr. Miles says:

"I have made money every year out of the Tariff Graft. Not much, but still a little.

"The tariff barons raised their price $50,000 to me. I made a charge against the jobber of $60,000 and I know that he charged more than $70,000 for the $60,000 he paid me. Before reaching the consumer the $50,000 charge became about $100,000 to be paid by the agricultural consumer.

"The manufacturer who would prosper must make a double profit, one by the shrewd management of his business and another by still shrewder manipulation in Washington.

"We have no great difficulty in shipping abroad for we could get as high prices as at home. We are so held up, however, by our supply people that to most of us there is very scant profit in foreign business.

"When Congress gave us forty-five per cent., we needing only twenty per cent., they gave us a congressional permit,

if not an invitation, to consolidate, form one great trust and advance our prices twenty-five per cent., being the difference between the twenty per cent. needed and the forty-five per cent. given."

Mr. Miles shows how the tariff raises prices to those who, in manufacturing, have to buy other manufactured products. This expense is transferred to the next purchaser. The jobber charges a profit on the tariff as well as on the cost of the article, and each person who handles the product collects a profit, so that, according to Mr. Miles, the first charge of $50,000 becomes $100,000 by the time it reaches the consumer. Mr. Miles in another article estimates the total tariff tax on the people at $500,000,000 annually. The statement of Mr. Miles also shows that the tariff law is an invitation to consolidate, and that having been given the tariff on the theory that it is needed, the manufacturers naturally assume that it is intended that they shall take advantage of it, even if they have to combine to do so.

How will Mr. Taft explain to the average man the benefits of protection? He can easily convince a trust that it profits by the tariff, but what about the victim of the trust?

No Republican leader will now deny that reductions ought to be made, but who is to make the reductions? The only answer given by the Republicans is that the tariff ought to be reformed by its "friends"; that is, that those who made the last tariff law should be entrusted with the making of a new tariff law. But suppose the people adopt the Republican idea and entrust the making of the tariff law to Republican Congressmen; what will be

the method of procedure? Fortunately for the voter, Mr. Miles explains this also. In the April, 1908, number of *American Industries,* Mr. Miles says: "The people instruct and trust Congress to grant just, equitable and ample protection."

Is not that just what the Republican leaders claim to favor? They want you to "instruct and trust Congress to grant just, equitable and ample protection." And what does that mean? Mr. Miles says that Congress "trusts the Ways and Means Committee." And a Republican leader will tell you that this is also proper. Then what? Mr. Miles says that "this committee trusts such persons as Mr. Dalzell," and that "they—they trust the trusts."

The method of procedure is simple. It is a case of confidence. The voters have confidence in Republican leaders; the leaders have confidence in a Republican Congress; a Republican Congress has confidence in the Ways and Means Committee; the Ways and Means Committee has confidence in the men who represent the trusts, and the trusts write the tariff law and thus secure to themselves the right to levy tribute upon the public. So accustomed have Republican leaders become to allowing the protected interests to write the tariff schedules that so eminent and honorable a man as Senator Hoar of Massachusetts said, in discussing the McKinley bill, then before the Senate:

"Instead of coming before your subcommittee for a formal hearing on our Massachusetts industries, I thought the best way was to carefully prepare a table of all the various industries, perhaps some sixty or seventy in all, and ask

Brother Aldrich to go over them with me and ascertain what the people wanted in each case, and if there were any cases where the committee had not already done exactly what the petitioners desired or had not inflexibly passed upon the question, I could have a hearing before you, but I find in every instance the action of the Committee, as Mr. Aldrich thinks it likely to be, is entirely satisfactory to the interests I represent, with the exception of one or two, and the papers in regard to those cases I have handed to Mr. Aldrich."

Mr. Miles, whom I have before quoted, says, in *American Industries* of April of this year:

"People asking a government representative for relief on another schedule were by that representative referred to a New England manufacturer, the official agreeing to act in accordance with the protected manufacturer's wishes. Said the manufacturer: 'I wrote that schedule myself. I did not intend that it should be interpreted as severely as it has been, but having been so interpreted, I will not consent to a modification of it.' And this man's will remains the law."

We would not expect a jury to do justice to the defendant if it was composed entirely of the relatives of the plaintiff; neither can we expect a Congress to do justice to the masses if it is composed of men who are in sympathy with, and obligated to, the corporations which have for a generation been enjoying special privileges.

There is no prospect of relief from a Republican President and Congress. The Democratic party, if entrusted with power, can and will reduce the tariff.

The Democratic platform not only demands a reduction of the tariff, but it plainly outlines the course to be pursued in securing the reduction. It begins by proposing that articles which come into competition with articles controlled by a trust be

placed on the free list. What better place to begin? Years ago Mr. Havemeyer, the head of the Sugar Trust, said that the tariff was the mother of trusts—and her children are many. Secretary Taft, in his notification speech, says that an excessive tariff serves no useful purpose, "but offers a temptation to those who would monopolize the production and the sale of such articles in this country, to profit by the excessive rate."

Now, suppose the manufacturers, who have been favored by legislation, do conspire against the public and enter into a monopoly. What penalty do the Republicans suggest? None whatever. These men are to be consulted about proposed changes, and if the next Republican tariff is made like former Republican tariffs, nothing will be done without the unanimous consent of the beneficiaries.

What would be the effect of the remedy proposed by the Democratic platform? Simply this: a law goes into effect at some fixt date in the future, and if the Democrats pass a law, putting upon the free list articles coming into competition with those controlled by a trust, the trust will have until that date to dissolve. If the trust considers the law too drastic, it can avoid it by giving up its monopoly.

Secretary Taft calls this remedy "utterly destructive," and in his anxiety to prevent it overlooks the fact that the Democratic party has other remedies for the trusts. If we can succeed in dissolving existing trusts, and in preventing the organization of new ones, there will be no trusts against which to use the remedy of which he com-

plains. There is now a law against trusts, but it has not been sufficiently enforced to prevent trusts. The Democrats demand its enforcement; if its enforcement rids the country of trusts, then this policy which Mr. Taft so much fears will become perfectly harmless. If the Democrats secure control of both the House and the Senate, they are pledged to legislation which will make a private monopoly impossible. If the Republicans retain control of part of the legislative machinery of the Government and refuse to join in the effort to make a private monopoly impossible, they are not in a position to complain of tariff legislation aimed at trusts. If they refuse to assist us in exterminating the principle of private monopoly, they cannot well object to legislation necessary to protect the people from trust extortion.

Mr. Taft did not refer to the platform demand that wood pulp, print paper, lumber, timber and logs be placed upon the free list. Why? Because the President vainly besought Congress to enact a law embodying part of this demand. It is absurd to complain of the exhaustion of our forests while we encourage their destruction by a tariff on the products of foreign forests. But such legislation becomes not only a folly but a crime when it is remembered that a handful of men monopolize the benefits flowing from the tariff on these things while the whole country bears the burden of the tax. Hon. R. F. Pettigrew, of South Dakota, in a speech made in the United States Senate, referred to an important statement, which appeared in *The Northwestern Lumberman*, February 27, 1897.

Senator Burrows, of Michigan, had referred to a Mr. Winchester as a man of great reliability and truthfulness, and Senator Pettigrew quoted Mr. Winchester as saying in *The Northwestern Lumberman*:

"There were a lot of gentlemen from the Northwest, up Minnesota way, in Washington the other day, and they were sitting in Senator Brown's room. An interesting incident occurred there. Senator Burrows is chairman of the committee. The committee had not had a meeting for a long time. They happened to be seated in that room, and one of the gentlemen from Minnesota had an envelope and lead pencil. He walked around the room and ciphered up a little bit, and he said:

"'Mr. Burrows, do you know what $1 a thousand would mean to this crowd of men in here?'

"There were not as many in the room as there are here. He said:

"'An advance of $1 a thousand on lumber would mean $6,125,000 on last year's product.'"

Could more conclusive proof be desired? And the Senator Burrows mentioned is the same Senator Burrows who acted as Temporary Chairman of the last Republican National Convention, and sounded the keynote of the campaign.

How long will the Republican farmers, merchants and laboring men permit a few men to make the tariff laws for their own pecuniary advantage and at the expense of the rest of the country?

The second step in the reduction of the tariff is a "material reduction upon the necessities of life, especially upon goods competing with such American manufactures as are sold abroad more cheaply than at home." At present the articles used by the poor bear a higher rate, *ad valorem*, than the articles used by the rich. This statement can be

verified by an examination of any of the schedules. A tax upon consumption, even when laid with absolute impartiality, bears heaviest upon the poor, because our necessities are much more uniform than our possessions. People do not eat in proportion to their income; they do not wear clothing in proportion to their income; they do not use taxed goods in proportion to their income. As all taxes must come out of one's income, no matter through what system levied or collected, they are, in effect, income taxes, and taxes on consumption are really graduated income taxes, the largest per cent. being collected from those with the smallest income and the smallest per cent. from those with the largest income. It is only fair, therefore, that in an attempt to relieve the people from the iniquities of a high tariff, the poor, who are overburdened, should be given first consideration. Then, too, a reduction in the tariff on the necessities of life brings a benefit to all the people, while a reduction in the tax upon luxuries would benefit but a portion of the people.

Surely no one will object to a reduction being made upon articles which come into competition with American manufactures which are sold abroad more cheaply than at home. The American manufacturer who sends his goods to foreign lands and there, without any protection whatever, competes successfully with the manufacturers of all the world, does not need a high tariff to meet competition in the home market. And there are enough articles sold abroad at a low price to assure a large

advantage to the American consumers through the carrying out of this one plank.

Mr. Taft, however, finds the greatest alarm in the following clause in our platform: "Gradual reductions should be made in such other schedules as may be necessary to restore the tariff to a revenue basis."

He regards this threatened departure from the protective system as fatal. We are here brought face to face with the theoretical difference between the positions of the two parties on the subject of tariff. The Democratic party regards a tariff law as a revenue law, the protection it gives being incidental; the Republican party regards a tariff law as framed primarily for protection, the revenue being incidental. As the effect of a given rate on a particular article is the same, whether levied for the purpose of revenue or for the purpose of protection, it may be well to define the difference between a revenue tariff and a protective tariff. A revenue tariff is so framed as to collect a revenue and you stop when you get enough; a protective tariff may be so framed as to collect but little revenue, and yet lay a heavy burden upon the people—and you never know when to stop. To illustrate: a tariff may be made so high as to absolutely prohibit importation. If, in such a case, the manufacturers yield to the temptation mentioned by Mr. Taft and combine to take advantage of the duty, the consumers will be heavily taxed, and yet none of the money will reach the treasury.

Let us suppose another case. If we import one-tenth of a certain kind of merchandise and produce

at home nine-tenths, and the imported and domestic articles sell at the same price, then the treasury receives duty on the foreign article and the manufacturers collect nine times as much on the domestic article as the treasury collects on the one-tenth imported. It becomes a matter of great importance, therefore, to the people at large, whether the tariff is intended to raise a revenue or is framed in the interest of the manufacturers and for the purpose of protection. No one would think of employing in a city, a county or a State, a tax system under which the bulk of the tax would go to the collectors, and yet the Republican leaders demand the continuance of a system under which the protected interests receive far more than half the money collected from the people through the operation of a high tariff.

As a tariff law interferes with the natural laws of trade, one who proposes a protective tariff takes upon himself the burden of proof to show, first, that a protective tariff is right in principle; second, that it is wise as a public policy, and, third, that it is necessary. And yet what protectionist attempts to present an argument in support of any one of these propositions?

Is it right to tax all of the people for the benefit of a few? Where a community has attempted to collect taxes for the aid of an industry, even when the industry was to be located in the community, the highest court in the land has declared such a tax to be larceny in the form of law. If a city government cannot rightfully tax all the people to bring an industry into the city, where such bene-

fits as are conferred are more easily seen and more universally enjoyed, who will say that a farmer in the Missouri Valley can be rightfully taxed to support an industry in a distant State?

As a matter of public policy, is it wise that the industries that do pay should be compelled to carry upon their backs industries which, according to the arguments made by their representatives, could not live without aid? Have we not seen this system introducing corruption into politics, and is it not building business upon an unsubstantial basis? Having secured a tariff from one party, the beneficiaries loudly declare that the country will be ruined if any other party obtains control of the Government. Manufacturers have intimidated their employees and threatened them with a reduction in wages unless a party favorable to the system was continued in power. This is an old device, and there are indications that it is being resorted to again. The New York Leather Belting Company has sent out a number of letters to companies with which it has business dealings, asking them to post in their factories a notice saying:

"Believing that the election of Taft and Sherman means a safe and conservative administration, the day following the election we shall start this plant on full time and keep going."

Here is a direct attempt to influence the election by a bribe. It is virtually a promise of wages if the Republican ticket is successful and an implied threat in case of Democratic success; but the offer is so made that it gives the employees no guaranty of its fulfilment. The same kind of promises were

made in 1896, and yet for six months after the election times were worse than they were before. There were business failures and bankruptcies, and many institutions that promised their employees steady work and good wages, shut down or reduced wages. If any factory posts up the sign which the Leather Belting Company is sending out, the employees ought to get together and ask for a guaranty as to the amount of the wages they are to receive and as to the length of time during which the guaranty is to extend. If the votes are to be bought, the purchase price, at least, should be made secure. If the employee's heritage—citizenship—is to be sold, he ought, at least, to be sure of his mess of pottage.

But the whole system is vicious. Business should not be built upon legislation; it should stand upon its own merit, and when it does stand upon its own merit we shall not only have purer politics, but we shall have less fluctuation in business conditions and a more equitable distribution of the proceeds of toil.

I cannot pass from this part of my subject, without calling attention to the fact that Secretary Taft has allowed himself to be drawn into the use of an argument which the beneficiaries of protection have been employing for a generation. Speaking of the gradual substitution of a revenue tariff for the protective system, he says in his notification speech:

"The introduction in power of a party with this avowed purpose cannot but halt the gradual recovery from our recent financial depression and produce business disaster, compared with which our recent panic and depression will seem small indeed."

Here is a threat of a panic if the Republican party is not retained in power. This panic argument was worked overtime in 1896, but I am surprised that a Republican refers to it in the present campaign.

We have had three panics since the Republican party was born: the panic of 1873, the panic of 1893 and the panic of 1907. The panic of 1873 came after the Republican party had been in complete control of the Federal Government for twelve years, and eleven years before our party succeeded in securing control of the executive branch of the Government. That startling "panic and depression" occurred in the very midst of Republican rule, just after a Republican victory, and under a high tariff. Is it not strange that Secretary Taft should forget this panic, when he warns us to beware of any departure from the protective system?

The panic of 1907 came after the Republicans had been in complete control of the Federal Government for more than ten years. They had had an opportunity to do everything that they wanted to do and to undo everything that needed to be undone, and we were under such a high tariff that even Secretary Taft admits the necessity for revision. This panic was so bad that banks felt it necessary to do something that they had never done before, namely, arbitrarily limit the amount of money that depositors could draw on their own accounts. Ex-Secretary Shaw says that the stringency of 1907 was "the severest the world has ever witnessed." With this panic fresh in his

mind, is it not strange that he should argue that his election is necessary to prevent a panic?

I have referred to two of the three panics, both of these coming under conditions which compel the Republican party to accept the responsibility for them. Now, let us consider the panic of 1893. If that could be properly charged to the Democratic party, it would only be one Democratic panic to two Republican panics. But can it be fairly charged to the Democrats? It came, it is true, a few months after the inauguration of a Democratic president, but it came while the McKinley high tariff was still in effect and before a single Republican law had been repealed, and it came from causes that were in operation before the election. In fact, it was the failure of the Republican party to do its duty and satisfy the people that brought about a Democratic victory, and these causes would have brought on a panic, even if the Republican party had remained in power. Now, this is the record, and yet, in spite of this record, the Republican candidate presumes to threaten a panic in case of Democratic success.

The third proposition which the protectionist must establish, namely, that the tariff asked for is necessary, is still less considered. It is true that we pay higher wages per day than are paid elsewhere, but that does not necessarily mean that the actual labor cost of an article is higher here than abroad. On the contrary, the rule is that high-priced labor produces a cheaper article than low-priced labor. Manufacturers of hardware will tell you that they can export hardware which contains a great deal of

labor and a small amount of raw material, but that they cannot export hardware in which the raw material constitutes a large proportion of the value. We are sending manufactures of steel all over the world. The steam engine, for instance, is made by skilled labor, and yet we can send it abroad and defy competition. Our electrical machinery is made by skilled labor, and yet we have no fear of foreign competition, even in the foreign markets. Our agricultural machinery is made by skilled labor, and yet we export it to all countries. Our sewing machines are manufactured by skilled labor, but the American traveler finds our sewing machines everywhere; and the list could be extended indefinitely.

For twenty-five years the American workingman has been told that he receives higher wages than the English workman solely because of protection, but our wage-earners now know that this cannot be due to protection, because the English workman receives higher wages than the German workman, altho the German tariff is higher than the tariff of Great Britain.

Protection does not make good wages. Our better wages are due to the greater intelligence and skill of our workmen, to the greater hope which free institutions give them, to improved machinery, to the better conditions that surround them, and to the organizations which have been formed among the wage-earners.

A revenue tariff will not bring a panic; it will not inaugurate industrial depression; it will not reduce wages; on the contrary, it will stimulate business and give more employment, and a larger

demand for labor will be a guaranty against a reduction of wages. A reduction of the tariff will reduce the extortion that is now practised because of the high schedules; a reduction in price will enable more people to buy, and this larger demand for the goods will put more people to work and increase the number of industries. A lower price will greatly stimulate exportation, and manufacturers who are now crippled by a tariff upon what they use will be better prepared to enter the contest for supremacy in the world's trade.

We cannot hope to invade foreign markets to the extent we should, until we relieve our manufacturers of the handicap that protection places upon them in the purchase of materials they have to use. Neither can we hope to continually increase our exports without increasing our imports. Trade must be mutual if it is to be permanent. President McKinley recognized this, and in the last speech that he made he pointed out that we must buy from other nations if we expect to sell to other nations.

The Democratic plan does not contemplate an immediate change from one system to the other; it expressly declares that the change shall be gradual, and a gradual change is only possible where the country is satisfied with the results of each step taken. We elect a Congress every two years and a President every four years, and the people can soon stop any policy if the results of that policy are not satisfactory. But we believe that the experience the people have had with "protection for protection's sake" has led them to favor a

restoration of the tariff by gradual steps to a revenue basis, and we are convinced that the advantages following each step will be so pronounced and that the benefits will be so universally enjoyed that there will be no halt in the progress toward a system under which the tariff will be levied for the purpose of revenue and limited to the needs of the government. The low tariff law of 1846 did not produce a panic; on the contrary, it was so satisfactory that when the Republican party wrote its first platform, ten years afterward, the protective principle was not endorsed.

The Democratic party has declared for an income tax as a part of the revenue system, and for a constitutional amendment as a means of securing this tax. Secretary Taft announces in his notification speech that he is in favor of an income tax whenever the revenues are so low as to require it, and expresses his belief that it is possible to secure such a tax without a constitutional amendment. If it is possible to frame a law which will avoid the objections raised to the income tax law of 1894, well and good, but that is uncertain. If an income tax is desirable, surely Secretary Taft can not consistently oppose the adoption of a constitutional amendment. If the principle is right and the tax wise, Congress ought to have authority to levy and collect such a tax, and no supporter of Secretary Taft can oppose our position without dissenting from the Republican candidate.

The whole aim of our party is to secure justice in taxation. We believe that each individual should contribute to the support of the Government in

proportion to the benefits which he receives under the protection of the Government. We believe that a revenue tariff, approached gradually, according to the plan laid down in our platform, will equalize the burdens of taxation, and that the addition of an income tax will make taxation still more equitable. If the Republican party is to have the support of those who find a pecuniary profit in the exercise of the taxing power, as a private asset in their business, we ought to have the support of that large majority of the people who produce the nation's wealth in time of peace, protect the nation's flag in time of war, and ask for nothing from the Government but even-handed justice.

X

THE LIQUOR QUESTION IN NEBRASKA

Delivered at the Democratic State Convention in Grand Island, Nebraska, July 26th, 1910, in support of the minority report presented by him as a member of the Resolutions Committee.

I SHALL read the substitute which I offer for the majority report on this subject: "We favor county option as the best method of dealing with the liquor question." I appreciate the spirit of fairness that has characterized the democrats who, if we can judge by what has occurred, are in a majority in this convention, and I assure you that it is with very great regret that I find myself compelled to differ from those with whom I have been associated so intimately and so pleasantly for so many years. In view of the fact that many democrats think me responsible for the introduction of this question, and accuse me of disturbing the harmony of the party at this time; in view of the fact that many feel that I have forfeited my right to your confidence, I think I am entitled to present my defense.

Demosthenes defined the duty of a statesman by saying that he should "foresee and foretell." Possibly after three nominations for the presidency it would not be presumptuous to count myself an humble member of the group called statesmen; but if there is objections to that I am sure you will

allow me to call myself one of the leaders of the democratic party in Nebraska. And I think it is only fair to apply to the leader the definition of statesmanship given by Demosthenes. It is the duty of the leader to "foresee and foretell," and I shall not ask you to deal leniently with me if I have fallen below this standard. If I have not foreseen coming evils and told you of them, spare me not; if I have advocated that which is not good for this State, let me feel your wrath. While I am not willing to accept that definition of party loyalty that puts consideration for the party good above consideration for the State's welfare, yet, for the sake of argument, I am willing to accept that definition of party loyalty, and have you measure me by it. If you find that I have done anything that is not for the benefit of the democratic party, I ask no mercy at your hands.

Do not accuse me of indifference to the harmony of the democratic party. Who among you has more reason to desire harmony than I? For sixteen years we have never had a dissenting vote on our platform in Nebraska; for sixteen years we have been in full and hearty agreement in regard to platforms. For sixteen years you have trusted me and I have trusted you. Who could desire, less than I, to disturb the harmony of the party? You must make a strong case against me if you would overcome the presumption in my favor.

Not only that, but who will suffer more than I if I find myself justly repudiated by my own people? My work is in national politics; I travel from State to State, and I am aware that a repudiation by you

will be heralded throughout the land and used against me. Do I not know that the paragraphers are already saying that I am to be turned down in my own State? Is that a matter of no consequence to me? Can you believe that anything less than an imperative sense of duty would lead me to differ from you? Never in my life have I performed a duty that I less desired to perform; and never have I felt more sure that I was performing a duty.

It has been said by some that I am fighting on this subject now because I am not a candidate. That is unkind, my friends. No one who knows my record will accuse me of fighting under conditions under which I would have kept still if I was a candidate. Go back to '92 when I was a candidate—a candidate for Congress without opposition. I went into the State convention, with only three men encouraging me and began a fight. They refused to put me on the committee on resolutions from my own county, and I was put on by act of the convention. I brought in a minority report signed by myself alone and made my fight when friends told me it would defeat me for Congress. In '93 I was a member of Congress, and yet I came back to a State convention at Lincoln—a convention controlled by candidates for federal offices—and there again I made a fight, although I knew that my resolution was sure to be defeated. Did I show cowardice? Was I afraid to jeopardize my own chances by taking a position?

And the year afterwards I made a fight for a policy against the national administration of my

party, against the committee then in charge and I was then a candidate for the United States Senate. Some who now tell me that I must not disturb the harmony of the party were with me then, fighting for principle and not asking what the effect was going to be on the party. I remember that in '94 the distinguished democrat, Judge Oldham, who has just addressed you, was with us, and we made him our permanent chairman at a time when the money question was so acute that there was a bolt from our convention. If you will look back over the last eighteen years you will not accuse me of being in this fight because I am not a candidate. I am interested because it is an issue, and because individuals and parties must meet issues as they arise.

I have been called a dictator because I expressed my opinion on this subject. Have not others expressed their opinions? Have not the candidates for Governor told you what they thought ought to go into the platform and what ought to be left out? Have not the candidates for Senator expressed their opinion? Have not many individuals expressed an opinion? By what law am I compelled to suppress an opinion upon a question which affects my State's welfare and my party's interest? Is it because I have been your candidate for president? I would not accept an office or a nomination if there were attached to it a pledge that I would see wrong done and not raise my voice in protest.

And some have said that I am actuated by a spirit of resentment; that I am mad because the liquor interests were against me last fall. Well, my friends, it is true that the liquor democrats and

liquor republicans put the liquor question above all else. They traded me in this and in other States; I would have been defeated in my own State, if it had not been for republicans who, because of State pride, came to my rescue and took the place of democrats who deserted me. In Missouri, also, I have no hesitancy in saying, the influence of the liquor element was sufficient to account for my loss of that democratic State. We had the same difficulty in Indiana and in Ohio. We had the same trouble in Illinois and in New York. And do you say that I must not refer to the liquor influence in politics for fear somebody will accuse me of being sore over being defeated? I expect to be in politics many years yet, and I expect to do what I can to help the democratic party, but of what use is it to go out and appeal to democrats on national issues if, when we have done our best, a band of political assassins can come in and rob us of victory?

The liquor question has entered politics, and he is blind who does not see it. Just at the time when we were about to overthrow Cannonism the special interests—the liquor interests among them—drew away enough democrats to save Cannon. Do you call it resentment to oppose those interests? I ask why you democrats who have fought with me do not show resentment at the treatment our party has received? (Voice—Hit them again.)

No, do not say that; I am not here to hit anybody. I am here to present the facts as I find them; and I want you to sit in judgment upon them, remembering that after you have acted, there is a court

of appeals, composed of one hundred and thirty thousand democrats, that will render a decision.

Some have said that I ought not to oppose the opinion of my party on this subject. Pray, who is to tell me the opinion of my party? To whom am I to go to find out what my party thinks? Might I not assume that I know my party as well as anyone does? Is there any democrat who is acquainted with more of the democrats of Nebraska than I am? Is there any democrat who has kept in closer touch with these people than I have? Who is to tell me what the party wants before the party itself has had a chance to give expression to its views? But you say I ought to be satisfied when I see this convention. I can endorse what Judge Oldham has said about the character of this body, and yet I could bring you to-morrow a body ten times as large and just as good looking who would vote exactly contrary to you. You must pardon me if my experience has taught me not to place too much reliance upon an opinion expressed by a convention on a subject that has not been generally discussed. Judge Oldham says he does not know what county option means; if he does not know, how can you expect one hundred and thirty thousand fellow democrats to express an intelligent opinion? How many of the one hundred and thirty thousand democrats of Nebraska attended the primaries that selected and instructed you? How many of the fifteen thousand democrats of Douglas county attended the primaries?

Do not be angry; I am simply calling your attention to what you know, namely, that you had no

primaries in Douglas county. Your county committee selected delegates to the county convention, and they selected the delegates (largely themselves) to the State convention. How many, I ask, of the democrats of Douglas county had a voice in selecting you and in instructing you to vote as you do? I venture the assertion that not one per cent. had any voice. Not that I mean to say that you do not accurately represent them; you may, but they took no part in your selection. I read of Adams county that there were but three precincts outside of the city of Hastings represented in that convention. Let me ask the delegates whether that report is correct. How many were present outside of Hastings?

A voice—"Three, three—six."

Somebody says six, do I hear a better bid? What right has Hastings, with a brewery, to say she reflects the opinions of the men in the country? And so I might take county after county. I will venture the assertion that not ten per cent of the democrats of this State were present at the primaries when these men were selected. I do not mean to say that you necessarily misrepresent the people who did not take part, and I do not excuse the people who did not attend the primaries—they ought to have been there, but I remind you that you represent only a small proportion. I read in a Jefferson county paper, and I believe it is published by one of the members of our resolutions committee, that one reason why the initiative and referendum was voted down, was that the county convention was not sufficiently representative. No, I am not willing to take the opinion of this convention as necessarily

deciding this question; on the contrary, when a question like this is at issue where a city with saloons has an interest adverse to the people outside—so adverse that the people in the city are not willing to allow the country people to vote—you can not say that a convention selected by the cities is necessarily representative of the democracy of this State.

But suppose that this convention was composed of delegates who had been so selected that every democrat had expressed himself in their selection—this question of county option has not been carefully considered. I remember that in 1893 we had a State convention, a convention in which the majority was overwhelming against bimetallism, and I remember that Douglas county was in that convention instructed to vote as a unit against it; and I remember that one year afterwards we had a fight in Douglas county, and by a vote of two to one secured a delegation to stand with us for the free and unlimited coinage of silver. And the State convention gave a two to one majority for bimetallism. That is history in this State, and I am not willing that this shall be accepted as a final settlement of this question. If it is not, then you can not properly charge that I am guilty of disloyalty to my party when I dissent from the opinion expressed by a majority of you in this convention. I will go further; I believe it is the duty of every democrat to have an opinion and to express his opinion, without asking what others believe.

You will agree with me that it is sound democratic doctrine, and has been from time immemorial, for a man to express his opinion and accept responsi-

bility for it. This is a moral question; your majority report says so. On a moral question, I have a right to an opinion. I am not required to ask anybody what I shall think on a moral question.

Now let me take the next objection that is made, namely, that I am forcing a new issue, that I am guilty of introducing a disturbing factor when the democratic party is at peace. Let me give you the history of this question. I did not create the county option issue; it was here before I knew anything about it. It was here four years ago when I never heard of it at all; two years ago it was an issue in our legislature, and I refused to express an opinion on the subject. They asked me to say a word in favor of county option, but I said, "No, these men, elected as democrats on the ticket with me, have been pledged, some for and some against, and I shall not embarrass them by expressing an opinion on the subject."

I refused to let anybody know where I stood or what I thought, and yet, the question was so much an issue then that the brewers of Omaha sent a republican lobbyist down to Lincoln to tell democrats how to vote in the legislature on this subject. If it was not an issue then, why had the liquor interests gone from place to place and pledged men to vote against county option? They had made it an issue before I knew anything about it or expressed an opinion. Not only that, but Douglas county declared against county option last summer before I had expressed an opinion on the subject. Do not accuse me of bringing this question into politics; I met an issue after it had been intro-

duced, and if I have any apologies to offer, I shall not offer them to the liquor interests for speaking now; I shall offer them to the fathers and mothers of this state for not speaking sooner. If I am to blame at all, it is for keeping silent when they had more reason to expect me to speak, than the brewers have to expect me to keep silent at this time.

But even after I had expressed an opinion on this subject, I did not at once decide to make an active fight. I dreaded, as I have never dreaded anything before, entering into a discussion where I might find myself out of harmony with men whom I have loved and with whom I have worked all these years. Not until I came home from a trip to South America, arriving here in April, did I decide what I would do. When I reached home I learned what was being done; I found that the liquor interests of the nation had entered Nebraska politics, and that the liquor interests of the nation were joined with the brewers of Omaha, for I received the information from one who talked with both. They were banded together to select the Senators in this State that they might block legislation that was unfavorable to them. I satisfied myself that the other special interests were allied with the brewery interests, that they were about to burglarize the State of Nebraska and that they intended to use the democratic party as the tool with which to break into the State house. What could I do but give the alarm? I acted as I would if I saw a man attempting to burglarize the house of a neighbor. You may not believe me, or if you do believe me, you may be indifferent, but I shall

warn you that the conspiracy was formed and is being carried out.

But, they ask, why not be content with a declaration in favor of the initiative and referendum? I tried my best to get the initiative and referendum in the last legislature; I not only made a speech before the Senate and House but I went personally and solicited men whom I knew to vote for it. They told me that the liquor interests were against it; they gave as their reason for voting against it that their people were afraid that if we secured the initiative and referendum county option would be submitted and that they opposed the measure as a means of defeating county option. I warned them that the liquor interests had enough to do to take care of the saloon business; that it was not their duty to legislate or to run the State of Nebraska. I reminded them that the initiative and referendum did not deal with this one question alone, but with all questions; that it was first embodied in our platform fourteen years ago when the liquor question was not before the State.

But they would not listen to argument and they defeated the initiative and referendum. We had the Governor on our side, we had an overwhelming majority of the democrats on our side in the House, and a majority of the democrats in the Senate, but there were nine democrats in the Senate who would not join with the rest, and they are to blame for the fact that we have not the initiative and referendum as our paramount State issue this year. I want you to know upon whom to place the blame. I object to having Democrats lay it at my door when

I endeavored to give you a means of submitting this question that would have avoided the necessity of bringing it up at this time, but the legislature adjourned and nothing was done. The Democratic party was denied the splendid advantage we would have derived from submitting the initiative and referendum to the people.

Democrats, do you feel no resentment towards the liquor interests when for money only they were willing to prevent our party from going before the people of this State with a proposition so in harmony with popular government?

I was not willing to stop there; when I found that there was danger of a fight in this State, I decided to try once more, and so I wrote the members of the legislature and asked them if they would agree to vote for the initiative and referendum at a special session. I had no authority, and Republicans said I was trying to "help the Democratic party out of a hole"; that I was trying to "get rid of an issue that was embarrassing," trying to "fight the campaign on national issues"; and why not? We have a Senator to elect, why not elect him on national issues? We have six Congressmen to elect, why not elect them on national issues? I made one more effort to get county option out of the way, and I came so near—nineteen Senators pledged—that if one of these Senators who refused to vote aye, had joined the nineteen we would have had the necessary twenty in the Senate.

Who has tried harder than I to save the party from this issue? I made this fight to get a special

session, and had I had the support that I had a right to expect we would have had the special session, would be out fighting for the initiative and referendum, and county option would not have troubled us in this convention. Do not blame me, blame the Senators who, even after the Democratic State convention of 1909 had declared for the initiative and referendum, still refused to promise to vote for it. And why? Because of the opposition of the liquor interests in their districts. And these men are here to-day, nearly every one of them delegates to this convention, and coming from counties which, with one exception, did not indorse the initiative and referendum.

You ask me why I do not trust a platform promise in favor of the initiative and referendum now? Because I will not trust any man who is under secret promise to the liquor interests, no matter what he promises in his platform. It has been said by the opponents of county option that a county option plank in the State platform will not bind a man in a district that is opposed to county option. If that be true, then who says that a plank in favor of the initiative and referendum will bind a man in a district where his people are against it? If these men would not vote for the initiative and referendum after their party had declared for it last year, what assurance have we that they will vote for it this year? Did not Democrats in Colorado refuse to vote for the initiative and referendum although it was in their platform? In Minnesota, also, the Democrats declared for it in their platform, but some Democrats voted against it in

the Legislature. I was not willing to go out and promise the people that it would be done next year unless this convention would sever the tie that binds it to the liquor interests. News has come this afternoon that the Republicans have declared for the initiative and referendum in their State convention, and that the Populists have also declared for it. Are you glad? (Cries of yes, yes, no.)

Why do you not applaud? You ought to applaud, because that is the only way we have a chance of getting it. If we had to depend on Democrats alone we would never get it as long as our party marches behind the brewers. I am glad the Republicans and Populists have declared for it, because I think that with all parties for it, the liquor interests will not be able to get enough legislators to violate their pledges to defeat it.

Who made county option the paramount issue in this State? Do you say I did? You flatter me. I appreciate it, but I can not accept the compliment. Did I make the Republican party declare for county option at Lincoln? If so, I had more influence with the Republican party than I seem to have with the Democratic party. Did I make the Populists declare for county option? If so, let me thank the Populists for being nearer to me than the Democrats are. I did not make the Republican party do this; I foresaw that they would do it. I did not make the Populists do it; they did it two years ago, before I expressed an opinion on the subject. Who forced this issue? Your liquor dealers; they made county option paramount. How? By telling us that we could not have self-govern-

ment as long as the fear of county option stood in the way, and so the people said: "If we can not govern ourselves until we get it out of the way, then we will act upon it at once so we can proceed with other things."

As a result of their stupid opposition the liquor interests will probably have county option two years sooner than they would have had it if they had not prevented the submission of the initiative and referendum. Had we succeeded in submitting the initiative and referendum, it could not have been voted upon until next November, and then county option could not have been submitted under the initiative and referendum until two years from next November. If the Legislature this year gives you statutory county option, a committee ought to be appointed to thank the brewers for unintentionally advancing temperance legislation in this State. These are the men who made county option the paramount issue, and now let us meet the issue that they have made paramount.

Sometimes you read in the papers that this question is not acute. There is one peculiarity about it: it is only acute on one side. The men opposed to county option can not understand why anybody wants it, but they can understand why every person who is opposed to it should leave the Democratic party if the party declares for it. Did you ever know a question so one-sided? I affirm that county option is a Democratic proposition; I refuse to go to the brewers to learn either constitutional law or the principles of the Democratic party. Do you doubt that this State can vote on the liquor

question? Do you doubt that a city can vote on the liquor question? Of course you do not. Why can not a county, larger than a city, but smaller than a State, vote on the liquor question? Is it democratic for a State to vote on it, and democratic for a town to vote on it, but undemocratic for a county to vote on it? Who will say so?

You can not find an argument against county option from a Democratic standpoint. Either a majority of the county or the minority will rule. And who says it is democratic to have a minority decide what ought to be done in a county against the protest of the majority? If you desire Democratic authority consider the States that have county option. Texas, that gave me my largest majority in three campaigns—Texas has it. Is it undemocratic? If so, why did Texas adopt it? Missouri has it. Is Missouri Democracy a kind that you can sneer at? It is true they exempt towns of a certain size, but remember Missouri has the county unit. Ohio has it, too, and I remind you that Ohio has large cities. I do not want to hurt the pride of Omaha, and yet there are several cities in Ohio as large as Omaha. Cincinnati, Cleveland, Toledo, Columbus, Youngstown, Springfield, not all these are as large as Omaha, but they are of considerable size. There are a great many of these cities and yet they have county option.

Tell me you can not have county option where Germans are numerous? Do they not have Germans in Ohio? Is there any State that has more Germans? Is there any city other than Milwaukee more known as a German city than Cincinnati,

Ohio? And yet they not only have county option, but the Democratic convention that met the other day did not dare condemn it. It has been adopted in more than half the counties. I know Germans who are not interested in the saloon question beyond all other questions. Four German ministers worked for the closing of every saloon in the city of Lincoln, and I have talked with Germans who feel as much interest in protecting the young men of their neighborhood from these "man-traps" as other Americans. We have no German saloons in this State or nation. Ask the German who has come from the fatherland and he will tell you that the German saloon is different from ours—there is no treating there, and there ought to be none here. The largest German society in the United States has declared against treating. We have a statute against it, and yet it is violated in nearly every saloon in this State. Give us the German saloon and then it will be time to say that the Germans are from tradition opposed to the regulation of this traffic. Temperance is growing in Germany; the Emperor has recently warned the students against the evil effects of beer.

County option is not undemocratic; the time has come when you will have to stop saying that it is undemocratic to do anything distasteful to the liquor interests. A man can be a Democrat in good standing without staggering when he walks. The Republicans used to question a man's democracy if he did not drink. A brewer in Chicago called me a degenerate because I am a teetotaller. I contend that I can be a good Democrat and yet refuse to

put a glass to my lips or to set an example which might lead my neighbor to ruin. No, you can not say it is undemocratic to favor legislation on this subject. Democratic States have not only adopted county option, but some of them have adopted State prohibition.

It is said that county option is unfair because, if the county goes dry all the saloons are closed up, but if it goes wet you can still have prohibition in the towns and villages. That argument is entirely unsound. Did not this State go wet twenty years ago? And did not this State, when it went wet, still have prohibition in every town that wanted it? Why did not the liquor interests demand that because it went wet, there should be no prohibition anywhere? If it had gone dry, there would have been no saloons anywhere. We have a situation in this State that is similiar to the situation under county option. You say it is unfair in the county but not in the State? You dare not put your argument to the test. When we get county option you will not be willing to submit it on what you call a fair basis. Why? Because you want to defeat county option with the argument that any town can have prohibition if it wants it.

And why is it not fair to have saloons everywhere when a county goes wet? Because there is nothing fair about the saloon; you do not talk about fairness and justice when you talk about the saloon. The saloon is an outlaw and a nuisance, and it lives by sufferance where it lives at all. You do not defend the saloons as an institution; you tolerate it, if you tolerate it at all, on the theory that if you tried

to abolish it you might get something worse. And yet the saloons exert more influence in politics than ten times as much capital invested in necessary and helpful industries.

Are the farmers not to have any voice in deciding the saloon question? You can not build a slaughter house in your block without consulting the people around you, because you can not confine the odors to your own land, and yet you would establish a saloon and fill the air with poison and then say to the people who must breathe it and suffer from it, that they have no right to protest. When you fight county option you ought to have arguments to present, and no arguments have yet been advanced against it. The farmers have been taxed without representation; they have been taxed to support the paupers turned out by the saloons. I was interested to-night in the indorsement given to the eight o'clock closing law; I was on the committee and voted for that resolution. I drew the platform in Lancaster county, which indorsed the eight o'clock law. I am glad that it passed by so large a majority, but I ask you who voted for it, how could you support the eight o'clock closing law and then oppose county option on the ground that it interferes with home rule? If you can make an argument against county option on the ground that it interferes with personal liberty, you can with much greater force make an argument against the eight o'clock law. Under county option, we say to the people in Douglas county that they can decide for themselves whether they want saloons or not, but under the eight o'clock law, we tell them

what time to go home. I believe in eight o'clock closing, but I believe also in county option, and I submit that it is much easier to defend county option than it is to defend eight o'clock closing.

You will find a number of these questions that will be interesting when you get beyond Judge Oldham's stage, and commence to study this subject in earnest. There are people who talk about this being a legitimate business; well, it depends altogether on how you define the word legitimate. I recently met a farmer from one of the counties that instructed against county option; he said that a man came to him and asked him to sign a petition for a saloon, and he refused on the ground that they did not treat the saloon keeper fairly. The man asked him what he meant and the following dialogue ensued: "You want to start a saloon in this town?" "Yes." "To help the town?" "Yes." "To improve business?" "Yes." "To increase trade?" "Yes." "Well now if you are going to do all that good for this town, I think they ought to give you a subsidy instead of putting a tax upon you." If the saloon is such a good thing for a town, why is it we treat it as we do? Why do we require the would-be saloon keeper to secure a petition? Why do we tell him when to open and close, and how many chairs he can keep in the room, and require him to give bond for all the damage done? Can you not see some difference between the saloon and other lines of business, and does not this difference justify different treatment? County option lets the county decide whether to license the sale of liquor or not.

I will go a step further and ask you to bear in

mind that if the people who can have saloons under county option are not satisfied with that, but insist on forcing them upon counties that do not want them, they will arouse resentment. I know of nothing that will hasten State prohibition more than to have the liquor interests contend that a county can not be dry even when the people want it to be dry.

The issue is here and we must meet it. No party is big enough to govern a State that is not big enough to decide questions when they arise. This question must be decided, and you must throw your influence one way or another. Do not deceive yourselves by thinking that you can avoid a decision by silence. Do not deceive yourselves by thinking that you can refer this to the districts and escape responsibility. The Governor must act, and it makes a great deal of difference whether we have the influence of the State convention and the State organization in favor of county option or against it. As one who favors county option I am not willing to have the influence of our State ticket, of our State committee, and of our entire campaign thrown against every Democrat who is a candidate in a district on a county option platform. I do not want every Democrat who stands for county option to be branded as undemocratic, and as opposed to the policy of his party.

More than that, there is now only one way to get this question out of politics and fight our campaign on national issues. Our platform says that the tide is turning toward Democratic victory, and that we can win on national issues. If so, then

victory is within our reach. The Republican party has acted; the Populist party has acted; if we act with them it is not an issue. You can no longer insist that you want to make this fight on national issues if you refuse to remove this question from the campaign. You have a chance to make the campaign on national issues. If instead of that you prefer to make it on the liquor question then cease talking about national issues being paramount. You are to decide whether this question is more important than these national questions that will become paramount as soon as this question is disposed of. I believe it is expedient for the party to do this; that it promises victory to do it, and I see no other path that gives so much promise of victory.

But I shall put it on higher ground; it is more than expedient—it is right. The Democratic party can afford to do right; the Democratic party can afford to take the moral side of a moral question. The majority report says it is a moral question and there is but one moral side to a moral question. Which side will you take? Will you put the Democratic party on the moral side, or will you put it on the immoral side? Learn from the popularity of the eight o'clock closing law the strength of a moral issue. A majority of the Democrats in both houses voted against it, and yet by an overwhelming vote this convention commends the Governor for signing it.

I am interested in the Democratic party, I owe to the Democratic party all that I am, or have, or hope to be. I expect to live many years to fight its battles; I want to strengthen that party, and to

be strong it must keep step with the marching spirit of the times. You must remember that temperance is growing in this country and in the world. Since twenty years ago, when we last acted upon the subject, many States have declared for State exclusion of the liquor traffic, others have declared for county option, others have declared for township option, but here stands Nebraska chained to its law of twenty years ago, and the people who passed it not only will not enforce it, but disobey it at every opportunity. Let Nebraska understand that the world is moving forward and not backward.

We must appeal to the young men with their ideals, their hopes and their aspirations; we can not hope to win them if we take the liquor side of this question. When a party takes a position on a new question there is a certain realignment. At this time there will be less than usual if all parties take the same stand. If it is made an issue, we shall lose some and gain some. No one can tell whether our losses will exceed our gains, but I am not willing to trade men who think so much of the home that they are not willing to march under the standard of the liquor interests, for men who come simply for a drink and will leave us when the barrel is empty. If we drive out good Democrats and secure in return men drawn merely by appetite—men who put the love of liquor above principles of government, we shall be weaker when the next moral question is to be met. I appeal to you, Democrats, let us be strong now that we may be stronger to-morrow to meet the issues of to-morrow.

Pardon me for speaking at length, but I have

not had a chance to speak to you on this subject before, and I wanted to present these thoughts. They are on my mind and on my heart.

Nebraska's Democracy has been at the front for nearly two score years. Look back over that record; it is a record to be proud of. The question of bimetallism came up and Nebraska took the people's side, the side of justice; she was not afraid, and her courage made her prominent among the States. The trust question came up and Nebraska took the people's side, the side of justice; and we have seen the Republicans of the nation forming upon the line that we established. We took our position in favor of railroad legislation, the people's side and the side of justice; we saw the Democratic party of the nation take that position, and we saw Republicans adopting our policy. We declared for the election of Senators by the people; we took the people's side, and the side of justice; and we have seen three national conventions of our party indorse it, and the Republican candidate for President admitted two years ago that he favored it himself. On the income tax question, we took the people's side, the side of justice, and we have seen a Republican President take the plank out of the Democratic platform and put it through Congress. We have seen a Republican Senator from our own State embody the Democratic plank in a constitutional amendment, and we see that amendment ratified by State after State.

The question of imperialism came up, and we took the people's side, the side of justice, and now Republicans admit that we can not forever hold

those people in bondage, that a colonial policy can not forever be maintained. The guarantee of bank deposits became an issue and we took the people's side, the side of justice. We have seen three States, Texas, Oklahoma, and Kansas, besides Nebraska, adopt the Democratic idea and we have seen the Republican party of the nation forced to adopt the postal savings bank bill as an alternative—and by adopting it, admit that after fifty years of power they have been unable to make the depositors secure. The question of campaign contributions came up, and we took the people's side, the side of justice, and we have seen Nebraska lead off, adopting publicity before election; we have seen the Republican house indorse Nebraska's position.

On the tariff question we took the people's side, the side of justice, and we have seen the Republican party brought to its knees by the insurgent revolt against the high tariff policy. Cannonism came up, and we took the side of the people, the side of justice, and there were enough insurgents in Congress to help us to so modify the rules as to put the Speaker off the committee on rules and increase the size of the committee, so as to make it represent the entire country. Look at Nebraska's standard! In every battle it has been on the firing line. By your command I have borne it; I have been proud of you, and proud of these things for which we have fought. Examine that standard; there is no stain upon it; it has never been trailed in the dust since you gave it to me. I shall not lower it now. We never espoused a more righteous cause than that which now appeals to us; we never faced an enemy

more deserving of attack than that which is attempting to corrupt our party and control our State. If a retreat is to be sounded, it must be sounded by another. I shall not do it—never, never, never!

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